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March 18, 2008

March 2008 NHA-ILP Update)

MORGAN FALLS (P-2237)

NOI filed Jan. 15, 2004

16.8 MW

<http://www.georgiapower.com/lakes/hydro/mfp.asp>

On November 9, 2007 the Commission (FERC) issued their Morgan Falls Project No. 2237 Notice of Availability of the Environmental Assessment (EA) for comment. Comments were provided by the public, the Georgia Department of Natural Resources' Wildlife Resources Division, Upper Chattahoochee Riverkeeper, American Rivers, Hydropower Reform Coalition, the Department of the Interior and its component bureaus, the National Park Service and the US Fish and Wildlife Service and Georgia Power. The Georgia SHPO also recently accepted the Morgan Falls Programmatic Agreement as well. FERC's EA appropriately referred to an agreement reached between Georgia Power and the Department of the Interior and its component bureaus as an Off-License Side Agreement (OLSA). FERC did not modify or change the OLSA and considered its content throughout the EA as in-addition-to the relicensing enhancement measures Georgia Power proposed in its license application. FERC's EA added three enhancement measures and did not support one of the relicensing enhancement measures Georgia Power proposed in its license application. The OLSA was finalized after the filing of the license application consistent with and in the spirit of FERC's Policy Statement on Hydropower Licensing Settlements, Docket No. PL06-5-000 (Sept. 21, 2006). The Integrated Licensing Process OLSA was the first such agreement crafted in the nation to avoid unacceptable mandatory conditions, request for rehearing and/or alternative conditions. It is anticipated that the EA will remain final and comments will be addressed in the license order. The 401 Water Quality Certification issuance public notice comment period ended Friday 2/29/08 and the Water Quality Certificate was filed with FERC on 3/2/08. The current license expires 2/28/09.

Lessons Learned

GPC was able to work with mandatory conditioning agencies to reach a side agreement consistent with FERC's Settlement Policy, which FERC ultimately handled in a way that was acceptable and avoided an unacceptable outcome. It does take a lot of time, effort, expertise and negotiation however, to reach the side agreement.

MYSTIC LAKE (P-2301)

NOI filed July 1, 2004

10 MW

<http://www.mysticlakeproject.com>

On December 17, 2007, the Commission issued an Order Issuing New License with a national press release (first License issued under ILP) for PPL Montana's Mystic Lake Project. The License Order included terms and conditions agreed to by PPL Montana and agencies and include provisions for continued overlap of the FERC Project Boundary and A-B Wilderness Boundary. Effective date of the new License is January 1, 2010. However, PPL Montana is likely to propose implementing certain License conditions over the next 2 years (pre 2010) and intends to discuss the procedural requirements for early implementation of specific License measures with agencies and FERC staff.

Lessons Learned:

PPL Montana lessons learned include: "Even though PPL Montana and stakeholders greatly benefited from starting informal consultations, issue scoping and limited field studies 2 years early (pre-NOI filing), the formal Mystic Project ILP timeline from PAD to formal studies to Preliminary Licensing Proposal (PLP) to FLA filing was very full and fast moving and required all stakeholders to stay actively engaged to allow adequate consultation and decision making toward consensus within the many benchmark deadlines. Start early, stay engaged and follow through with appropriate ILP team delegation and resources."

"Take nothing for granted in this fast moving ILP process because every "i" must still be dotted and every "t" must still be crossed in the context of the voluminous Final License Application that follows very soon after an applicant's PLP is filed with the Commission. Early (pre-PLP) discussions by the applicant team of an internal FLA preparation timeline and coordinated management of information into the FLA are critical to facilitate accurate and timely FLA filing within the compressed ILP timeline."

CANAAN (P-7528)

NOI filed Aug. 2, 2004

1.1 MW

PSNH filed its preliminary licensing proposal on March 5, 2007. On April 17, FERC responded with comments on the PLP, stating what additional information would be needed in PSNH's license application. Comments on the PLP were filed through mid June. July 30, 2007, PSNH filed a relicense application. On September 25, 2007, FERC

issued an REA notice. Comments are due November 27. On September 26 FERC issued a request for additional information, including economic information relating to lost generation from increasing minimum flows costs of recreation facilities and consistency with comprehensive plans. The information was provided on October 25, 2007. PSNH filed a water quality certificate application with the states of NH and Vermont on 11/21/07. A variety of agency and NGO comments and interventions were filed during November. On 1/6/08 PSNH replied to the various filings. The Company discussed and opposed commendation to provide resident fish passage for the recreational put and take fishery. Interior did not prescribe a fishway. Also, the Company opposed the installation of two beat cleaning stations at the Canaan Project: one at the portage take out up fiver of the dam and one at the launch area at the down fiver end of the project, recommended in light of the identification of *Didymosphenia geminate* (didymo) infection in the general Canaan Project area.

DE SABLA-CENTERVILLE (P-803)

NOI filed Oct. 4, 2004

26.6 MW

<http://www.eurekasw.com/DC/relicensing/default.aspx>

On October 2, 2007, PG&E filed their relicense application. PG&E continues to work on a variety of studies and modeling not completed by the time of FLA filing. By letter of 10/31 FERC requested additional information. FERC also noted that 6 studies needed to be completed and that the schedule showed they would all be filed by mid February 2008. FERC is also waiting for results of the fish population study to determine if a potential phase two study needs to be done. Agencies commented in early November that PG&E did not comply with the ILP time schedule and FERC's estimated dated of mid March for the REA notice would be too soon after the studies were completed. On 11/21 PG&E responded to FERC's additional information request. 11/28 PG&E replied to comments. Agencies and NGO's jointly filed comments on 12/26 on the study of reduction of heating. This filing was made by U.S. agencies-Forest Service, BLM and F&WS, by State fish and wildlife agencies, and a number of NGO's. On 12/31 PG&E filed updated study results and portions of its FLA. On January 4 the Director, OEP, provided a study plan determination on the updated study report. Of 11 studies, 6 were in dispute as to how to go forward. FERC did not require modifications to any of the six studies.

PACKWOOD LAKE (P-2244)

NOI filed Nov. 10, 2004

26 MW

<http://www.energy-northwest.com/gen/packwood/rellice.html>

Energy Northwest filed the PLP at FERC on September 17. Agencies commented on the final study reports during mid to late November. On 11/29 Energy Northwest filed the final study reports. On 12/4 FERC commented on the PLP. FERC said "Most notably, your PLP in some cases lacked clear description of the effects of your proposed protection, mitigation, and enhancement measures with respect to the resources affected by the project proposal [see §5.16(2)]." FERC acknowledged that all the studies were not

completed when the PLP was issued. FERC also said the FLA must contain a schedule for studies not completed by the filing of the FLA. By letter of 12/13 Energy Northwest provided a list of issues where “agreement in concept” has already been reached with the participating stakeholder agencies and Tribes. These issues represent elements of Energy Northwest’s proposal for project operation, and protection, mitigation and enhancement measures (PM&Es) to be implemented during the next license term; and conditions that the agencies propose to submit under their respective authorities over resources affected by the project. The participating agencies have indicated that documentation of these “agreements in concept” will allow them to focus their PLP comments on unresolved issues. Details of these preliminary agreements have not been agreed upon, but they are expected to be finalized and included in the FLA. Energy Northwest responded to agency comments on 1/8, stated that no agency requesting additional studies followed FERC guidelines for doing so, and provided detailed comments. The final license application was filed 2/25/08. FERC issued the application tendering notice on 3/3/08.

Lesson learned:

In the process of preparing and issuing draft study reports for review and comment by the agencies and stakeholders, Energy Northwest learned that in a summary or conclusion section there is a need to clearly state how the goals and objectives from the study plan were met. Their early reports did not call out the goal or objective, and the agencies disputed whether they were met. Later draft reports or revised draft reports clearly stated how they met the goals and objectives, and this has led to fewer or no comments on the draft report and less concern as to whether there is sufficient data to support a determination on project effects.

SMITH MOUNTAIN (P-2210)

NOI filed Oct 25, 2004

636 MW

<http://www.smithmtn.com/default.asp>

Appalachian Power Company filed the PLP November 1, 2007. Comment period ends January 31, 2008. Significant comments began to be filed in January 2008 and continue to be filed. The application is due to FERC by March 31, 2008

AMES (P-400), TACOMA (P-12589)

NOI filed May 20, 2005

Tacoma development: 8.1 MW

Ames development: 3.5 MW

<http://www.tacoma-ames.com/Default.htm>

Xcel Energy (licensee is Public Service Company of Colorado) filed preliminary licensing proposals with FERC on December 20 and 11, respectively, for the Tacoma and Ames Projects. Xcel also filed final recreation study reports for the Tacoma Project by letter of November 28 and final study reports covering cultural resources, recreation, land use and aesthetics resources, and water-terrestrial resources for the Ames Project by letter

of January 3, 2008. Forest Service and FERC staff provided comments on the PLP during early March 2008. Forest Service requested additional studies. Further discussion will take place at the studies meeting in April 2008.

Lessons learned:

- * Licensee says that the ILP process is an improvement but at the end of the day it is still relicensing. Prepare for it with that understanding.
- * Start early. They want to emphasize strongly the benefit of starting before the process begins. Get out and meet your stakeholders. See where they work and what they deal with. Give them tours of your projects so they understand what we are dealing with.
- * Document, document, document. Start putting critical data together in clear format before you start the ILP. This will help the discussion and also save money and angst trying to organize it at the last minute.
- * Be cooperative but also be firm. Don't let the agencies run your relicensing.

HENRY M. JACKSON (P-2157)
112 MW

NOI filed Dec.1, 2005

<http://www.snopud.com/WaterResources/relicensing.ashx?p=2334>

Snohomish County PUD on behalf of itself and the City of Everett have contracted with eleven consultants to conduct 21 of 23 studies over the course of 2007-2008. Two studies will be done by PUD staff. Studies are all in various stages of progress for the first study year.

Initial Study Reports (ISR) for all studies were submitted to the FERC on October 12, 2007. The ISR Meeting was held on October 29, 2007, was well attended and informed the stakeholders and the FERC staff of the developments to date. All studies are on schedule to be completed in accordance with the Revised Study Plan. Because only limited data were available from many of the studies at the time of the ISR Meeting, many stakeholders were concerned about not having an opportunity to comment on the progression of the studies before the Updated Study Report meeting in the Fall of 2008. FERC staff requested that the stakeholders be allowed an interim opportunity to comment on the data and results of the studies before the second study season begins in earnest. The PUD has agreed to schedule an Interim Comment on studies. Based on the technical reports issued, stakeholders will have until March 14, 2008 to make comments or recommendations for alteration of the Revised Study Plans. The PUD will have until April 14, 2008 to respond to comments, and FERC will have until May 14, 2008 to decide if any alteration in the Revised Study Plans is appropriate.

In conjunction with the Interim Comment period, the Aquatic Resources Working Group (licensees, consultants, and stakeholders) met on February 1, 2008 to review updated results of studies and discuss the integration process of instream flow, habitat mapping,

physical process, and indicators of hydrologic alteration studies into development of operational PM&E measures.

Meanwhile, PUD staff and consultants are drafting the License Exhibits to have most of their development complete before the intense process of crafting the PM&E measures in the summer and fall of 2008.

The deadline for developing the Preliminary License Proposal is December 31, 2008. The deadline for filing the final license application is May 31, 2009.

Lessons Learned:

PAD Development Phase

The Licensees started 2.5 years before filing the PAD. Activities included hiring strategic consultants, assembling our current license documents, and making the necessary internal arrangements to be prepared for the relicensing process as we understood it at the time. This was before the ILP was formally adopted by the FERC and consultant contract adjustments were done as the ILP was finalized.

A “Resource Summaries for Consultation Document” was developed by the licensees which consolidates the pertinent known information before going out to meet the stakeholders informally a year before the PAD was due. This forced the licensee staff to get up to speed on the project and gave the stakeholders something to digest.

Stakeholders were not given the opportunity to comment on the PAD before submission to FERC with the NOI. This saved substantial time during the crunch of getting the PAD done.

FERC staff was shown a draft of the PAD a month before submittal. They gave fast turn around and insightful feedback so the formal submittal was acceptable to them.

Study Development Phase

Stakeholder perceptions are driven by their experience, background and personality. After several initial meetings on the Proposed Study Plans, the licensees brought in additional consultants to address the issues in a context that accounted for these factors. Several subgroups were created to work on concerns about the proposed studies. Several of the Proposed Study Plans were rewritten to address stakeholder and FERC concerns. This led to acceptance of the Revised Study Plans by the FERC with very few additional comments or changes and avoided the study dispute resolution process.

Study Implementation Phase

Selecting the best qualified consultants for each study requires more contract administration but yields excellent results which are worth the additional management

effort. One example is that the ISR meeting went relatively smoothly with the consultants present to dialogue about the draft Technical Reports and process of the data gathering to date. However, some stakeholders may disagree with the results presented or the techniques used to gather the data. Accommodation for the concerns is prudent if the results will be material to the project operation or risk to the resource. When the ISRs and associated meeting occur before study data is available, it is cooperative to allow an interim review and comment on the studies by stakeholders before beginning the final study season.

Openness to studying environmental conditions and making the results available to the stakeholders for discussion of relevancy to project operations has kept the discussions on the science of the river and project effects. Removing the struggle between stakeholders and licensees over which studies to conduct, and openly discussing the process of determining PM&E measures has been appreciated by all the parties to date.

MAHONING CREEK (P-12555)

NOI filed Dec. 27, 2005

4.4 MW (new capacity)

<http://www.advancedhydrosolutions.com/Mahoning.html>

Mahoning Creek Hydroelectric Company (agent is AHS) expected to complete all required studies in the spring and summer 2007. AHS held a study reports review meeting on November 9 and filed the summary of the meeting on November 13. They filed the study results on November 13, 2007. In subsequent letters the Corps and state agencies had significant comments on the study results and proposed additional studies. By letters filed January 8 and 10, AHS replied to the comments and opposed the additional studies for lack of addressing the needed study criteria. AHS also said that many concerns of the Corps would be addressed in agreements that would be reached with the Corps in order to be allowed to use the Corps' dam. AHS does plan on revising their recreation survey and submitting the revised plan to FERC. In early January AHS provided FERC responses to proposed additions to study plans. On February 11, Director OEP provided his response to requested study plan changes. FERC said "Many of the comments filed by the Corps and PA Fish & Boat that concern aquatic resources, water quality, natural resources and wetlands, and cultural resources offer additional information, clarifications or opinions about the data collected, or data interpretation. Other comments are questions about Mahoning Hydro's proposal and potential mitigation measures. Although these comments do not constitute requests for studies, Mahoning Hydro should consider them in the preparation of their final study report, their Preliminary Licensing Proposal (PLP), and their license application." FERC also said certain studies weren't completed and must be by the final studies submittal. A study of the hydraulic modeling was added. On 3/3/08 an application for a subsequent preliminary permit was filed.

CLAYTOR (P-739)

NOI filed Jan. 6, 2006

75 MW

<http://www.claytorhydro.com>

Appalachian Power Company's (APC) held the Initial Study Meeting on November 28 and 29th. The Initial Study Meeting Report was filed on December 14th. The comment period ends on January 16, 2008. FERC will issue the Study Plan Determination by March 16, 2008. First year of studies has been completed. Current drought conditions have caused the schedule for several studies to be extended into the second year of studies. Study report comments filed in January. FERC had comments on cultural, instream flows, and recreation resources. On 2/14 AEP responded to the comments. 3/17 the Director, OEP, responded to requests to modify studies. FERC said that a determination on proposals to modify the study plan for the Claytor Project is not appropriate at this time, due to the incomplete status of the studies. Instead FERC modified the study plan schedule (process plan) to include a determination, if necessary, following the filing of a second study report, meeting, and comment period in May-June of 2008. They also modified the schedule so the final study report is filed at the conclusion of the 2008 study season when all studies are scheduled to be completed.

GREEN ISLAND (P-13)

NOI filed March 1, 2006

6 MW existing, 20 MW new capacity

Green Island Power Authority's process plan and schedule calls for a draft license application to be distributed October 2008 and a license application by March 2009. FERC approved the revised study plan on January 10, 2007 with modifications, including several studies on water quality, fisheries, and geology and soils. In January, Green Island asked the Fish and Wildlife Service and others for assistance in determining if any federally listed endangered species, designated critical habitats, etc. will be affected by the project. Studies are underway. GIPA filed a study progress report with FERC on October 17. The Initial Study Report was filed on 1/10/08 and the study plan meeting will be on 1/25. On 3/5 FERC responded to the study report. FERC said no studies have been completed to date. According to the process plan and schedule, the preliminary licensing proposal (PLP) is due to be filed with the Commission and stakeholders by October 3, 2008. However, based on the initial study report and meeting notes, other than the fish passage study which would not be completed until the summer of 2009, FERC said it is unclear which studies will be completed by October 3, 2008 and when the final study reports will be distributed to the stakeholders.

WILLOW MILL (P-2985)

NOI filed April 14, 2006

460 KW

MeadWestvaco filed a draft study plan on September 26, 2006. Following this submittal, a study plan meeting was held on October 26, 2006. After receiving comments from FERC and the Massachusetts Division of Fish and Wildlife, MeadWestvaco submitted an ILP Revised Study Plan on January 23, 2007. In its Revised Study Plan MeadWestvaco

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withdrew its Hydropower Redevelopment Study proposal. Rather, MeadWestvaco now states that it will rehabilitate the 100-kW unit during 2007, and otherwise has no plans to upgrade or expand the project. The Commission approved the Revised Study Plan on February 23, with some modifications to wildlife, hydropower redevelopment, and bypassed reach flow studies. On May 30 MeadWestvaco requested that the cultural resources study be removed from the plan. Robinson replied on July 9. He stated there was nothing in the regulations about removing an approved study, but he felt he could act on such a request. He did remove most of the cultural resources study requirements but emphasized that an HPMP must be filed with the application. The Initial Study Report was filed 2/15.

MASON DAM PROJECT (P- 12686 new project number)
3 MW (new capacity)

NOI filed April 27, 2006

The Commission issued the new preliminary permit to Baker County on January 19, 2007. On March 20, 2007, FERC issued a new project number (P-12686) and closed the docket under the old project number (P-12058). On March 22, 2007, FERC issued the study plan determination letter. Baker County promptly started studies. On October 18 FERC approved a minor modification to the study plan. On 12/31 Baker County requested minor changes in two cultural resources study plan, weather related. Results of certain studies were also filed. On 1/15 FERC extended the completion date for the cultural resources study one year-to be completed during the 2008 field season. On 1/25 FERC provided comments on the draft recreation study report. On 3/14 FERC commented on other draft study reports.

BOUNDARY (P-2144)
1,051 MW

NOI filed May 5, 2006

<http://www.ci.seattle.wa.us/light/News/Issues/BndryRelic/default.asp>

One particular stakeholder, the Confederated Tribes of the Colville Reservation objected to certain study requirements and methods. Seattle City Light responded to FERC on this subject on July 3, 2007.

On August 28 Forest Service commented on Toxics Assessment Final Phase 2 SAP. On August 30 the Washington Department of Ecology stated that SCL had worked hard to accommodate the stakeholder's comments and concerns during preparation of the Final Phase 2 Sampling and Analysis Plan. On October 25 FERC accepted SCL's Study Determination for Phase 2 Toxic Sampling and Analysis Plan.

LAKE CREEK (P-2594)
4.5 MW

NOI filed May 31, 2006

<http://www.norlight.org/LCRelicensing/>

Northern Lights, Inc. will begin preparation of the Draft License Application following the 2007 field season. All documents related to the Project's relicensing are available on NLI's website. On November 30 NL filed an initial and updated study report. On 12/31 NL filed a summary of the 12/12 initial study report meeting. The study reports will be modified, but no suggestions were made to modify the studies.

Lessons Learned:

NLI's philosophy throughout the process to date has been to drive the timeline and process rather than to be driven. While cooperating fully with the tribes, agencies and other stakeholders, nonetheless, the licensee remains the driver of the process within the constraints of the regulations. Early planning and execution and open frequent communications with agencies and tribes have proven to facilitate and to enhance the process. Proper diligence in following the ILP schedules, even if not followed precisely by stakeholders and regulatory bodies maintains interest and keeps communications open.

Sharing a draft of the PAD with stakeholders early in the process facilitated their involvement and helped to keep the process on track as potential issues were identified in the early review and then covered in the final PAD – thereby avoiding additional information requests and debating potential studies or other future efforts. Timelines were never an issue when everyone was informed about the process and during the PAD development.

Working early with the agencies meant that study planning proceeded extremely smoothly as everyone's expectations and limitations were known. A commitment among the licensee and stakeholders to a "no surprises policy" further facilitated the process proceeding well within time constraints while addressing the requirements for additional information related to potentially affected resources.

Start early. Communicate with the agencies, tribes and stakeholders frequently. Be of good will.

**MCCLOUD-PIT (P-2106)
368 MW**

NOI filed July 27, 2006

<http://www.mccloud-pitrelicensing.com/>

On June 4, 2007 FERC issued its Study Plan determination for PG&E's McCloud-Pit Project FERC No. 2106 (Project). The first full season for implementation of the 34 studies was completed December, 2007. On October 17, 2007 PG&E filed with FERC Licensee's Supplement to the Pre-Application Document and the Revised Study Plan (Supplement). The Supplement amended the PAD and Study Plan to propose including two small generation additions and associated transmission lines in the Project license application. The generation additions required modifying 18 of the 34 approved studies.

Since the existing regulations do not provide a process for licensees to amend their PAD or Study Plan, FERC advised PG&E to file the Supplement, hold a public meeting, file notes from the public meeting, and provide a 45-day comment period on the Supplement. PG&E is required to file with FERC its revised Supplement and response to comments by January 17, 2008. FERC is expected to issue a Determination on the Supplement by February 17, 2008.

PG&E's is currently preparing its Initial Study Report (ISR) documenting the result of the first year study season. The ISR is required to be filed with FERC by June 4, 2008 and PG&E's ISR meeting summary is due by July 4, 2008. A second year of studies will begin in March 2008. On 1/16 PG&E filed revised comments on PAD and revised study plan. On 2/15 FERC amended the approved study by modifying 18 studies to address two proposed generation developments that PG&E plans to include in its application for new license, to be filed no later than July 31, 2009.

Lessons Learned:

Relicensing Participants want to keep informed as to the status implementation of the Study Plan and receive the data and/or results as soon as possible. To address this monthly emails are issued to the Relicensing Participants which provide a monthly schedule of planned field work for each study. The monthly field schedule is also posted on the Project website. Technical memos are also issued as necessary to document decisions made as studies are implemented and present preliminary study data. These Technical Memos will contain much of what will be included in the Initial Study Report.

WELLS (P-2149)

774 MW

NOI filing date, Dec. 1, 2006

www.douglaspud.org/relicensing

After comments on the PSP, Douglas PUD revised 5 of the 12 study plans. Douglas PUD filed the revised plan September 14. FERC approved the Revised Study Plan October 11. Douglas PUD initiated the formal study process. All 12 of the RSP studies are now underway and will continue through most of 2008. Studies are taking place in all four of the major resource areas including one cultural, two terrestrial, two recreation and seven aquatic resource studies. Quarterly progress reports are being provided to stakeholders to ensure continued stakeholder support for the relicensing studies. Results from these studies will be shared with the resource work groups as the reports become available. The next ILP deadline is October 15, 2008 with the filing of the Initial Study Report. On October 30, 2008 Douglas PUD will host the Initial Study Report Meeting.

Lessons Learned:

Douglas PUD's strategy of early engagement and early studies definitely has helped Douglas PUD staff write the PSP and it was useful in educating stakeholders as they now have concrete, scientific defensible study results to present to the agencies and tribes

MASSENA GRASSE RIVER (P-12607)
2.5 MW (new capacity)

NOI filing date, December 8, 2006

On September 18, 2007 Massena Electric Department (MED) filed a revised study plan with the FERC. Leading up to this filing, several informal webinars and conference calls were held by MED to discuss the formal comments received from the stakeholders on the proposed study plan and to continue working with the stakeholders to further understand and resolve the issues identified. In parallel, MED continued to collect baseline 2007 study information for many of the proposed study areas of interest.

In an effort to share project information in a timely manner as it is developed and to receive agency feedback, MED held a project update meeting on October 19, 2007. During this meeting an agreed-upon schedule for future informational update meetings during the remainder of 2007 and extending into 2008 was established. These meetings will be held monthly with the agencies and stakeholders as needed. Meetings were held in November, December and January.

On October 19, 2007 FERC issued their Study Plan Determination. On November 8, 2007 a dispute letter was filed by the NY State Department of Environmental Conservation concerning five issues. On November 30, 2007, the Commission issued a notice which convened two dispute resolution panels (Panel 1 and Panel 2) and notified parties of a technical conference to be held in Syracuse, New York on December 12, 2007.

A Dispute Resolution Panel was set up in December and findings issued on December 19, 2007. In parallel with the DRP activity, MED worked closely with NYSDEC and resolved disputes among the two parties. This information was provided to the DRP, as available. Three of the five issues were settled outside of the DRP prior to the panel decision.

MED completed the field study data collection for the 2007 season and then prepared and distributed reports to the agencies and stakeholders. MED discussed four studies at the January meeting and four additional studies will be discussed at the February meeting. The results of the 2007 baseline data gathering, the scope of which was adjusted during the year based on agency input, will provide some of the information required by the 2008 study plans. Following the technical conference, by letter filed January 15, 2008, New York DEC withdrew its study disputes on the ice management, shoreline erosion, floodplain management, and sediment transport issues.

FERC's 1/17 letter said that if Massena Electric proposes modifications to the approved study plan to reflect any agreements it has reached with New York DEC or any other party, it must do so in accordance with section 5.15 of the Commission regulations. The Panel found that an impoundment fluctuation study is not needed because Massena Electric proposes to operate the project in an instantaneous run-of-river mode. The Panel also recommended that Massena Electric prepare a draft operations and flow monitoring plan that would allow staff sufficient time to evaluate the adequacy of the plan to ensure run-of-river operation under typical operating conditions, as well as unusual or emergency situations, and make recommendations for correcting any deficiencies in the plan. FERC agreed with the Panel's findings. Final study plan modifications were filed 1/28. Certain agencies filed exceptions to FERC Study Plan Determination and Massena Electric requested an extension of time until after FERC responded to the exceptions.

On 3/14 FERC said that based on the extensive comments filed by stakeholders objecting to Massena's proposed modifications, the likelihood that additional study plan modification requests would be filed by Massena resulting from the February 12 meeting, and the time needed for staff to review comments and responses under section 5.15(c), it is doubtful that a decision could be rendered on all of the proposed modifications prior to the onset of the first study season, scheduled to begin in the spring of 2008. Therefore, FERC will not make any modifications to the approved study plan at this time. Massena's request for an extension of time to file final study plan modifications, therefore, FERC said was moot.

Lessons Learned

The ILP process requirements and the tight timeframes are difficult for the both licensee and stakeholders on a new project where existing environmental data is limited or not available.

BEAR RIVER NARROWS (P-12486)

NOI filing date, December 15, 2006

11 MW (new capacity)

On April 16, FERC issued a letter to Twin Lakes Canal Company requesting more detailed information on geological studies and project operation. FERC also requested several studies be performed, including a Bear River Flow Synthesis, Special Status Wildlife Species and Habitat Assessment, Special Status Plant Species and Noxious Weed Assessment, Mule Deer Habitat Assessment, assess Archaeological and Historic-era Properties, and an Economic Study of the proposed project. Twin Lakes must file the requested geological study information by May 13 and the project operation information by July 12. On May 9 and July 3, Twin Lakes responded to FERC's letter. On July 16 the Initial Study plan proposal was filed. The first study plan meeting was held August 28-30. On August 14 FERC issued Scoping Document 2.

On September 24 the Corps requested to be a cooperating agency in preparation of the NEPA document relating to their Section 404 permit. On October 1 study plan meeting minutes were filed. A revised study plan was filed on October 26. Extensive comments are coming in on the study plan. On October 24 Pacificorp filed a motion to have ILP and outstanding Preliminary Permit dismissed as they allege this project conflicts with their licensed Projects 20 and 2430 and a September 2002 comprehensive settlement reached with parties to those cases. In November and December a number of entities joined with Pacificorp's request for dismissal or provided comments agreeing with Pacificorps. TLCC responded to the motion on 11/15.

TLCC filed a revised study plan on 11/28. On December 26 FERC issued a Study Plan Determination. FERC modified about half of the studies where disputes existed and required unresolved study components to be determined and a modified study plan be filed for approval. The potential conflict with Pacificorps was not mentioned in the letter.

On 1/16/09 Interior's Bureau of Land Management filed an notice of dispute. BLM, acting in support of the Shoshone-Bannocks Tribes'(Tribes) interest in protecting potential traditional cultural properties (TCPs), filed a notice of study dispute against the exclusion of the Tribes' requested cultural study.

FALL CREEK DAM (P-12778)
10 MW (new capacity)

NOI filing date, February 15, 2007

Northwest Power Services on behalf of Fall Creek Hydro, LLC (Northwest) filed an NOI and PAD on February 15, 2007. Fall Creek Hydro proposes to install a hydroelectric facility at the existing U.S. Army Corps of Engineers' Fall Creek Dam on Fall Creek in Lane County, Oregon. On February 28, FERC issued a letter to Northwest Power Services stating that it had not exercised due diligence in obtaining all existing information that may be available for the project area, because it did not contact many of the entities which are likely to have information that it could incorporate into the PAD. FERC requested Northwest Power Services to file an updated PAD or addendum to the PAD within 75 days.

On May 18, 2007, Northwest filed an addendum to the PAD, after FERC requested Northwest file an updated PAD or addendum to the PAD. This is now the new date for filing of the NOI and PAD. [FERC issued Scoping Document 1 on July 17, 2007, and held scoping meetings and a site visit on August 16 and 17, 2007.](#)

On 2/7/08 FERC issued a preliminary permit to a competitor under docket p-13025-000. Then on 2/11/08 FERC issued a letter holding Northwest's ILP in abeyance until the competitor's permit is no longer in effect and Northwest is issued a preliminary permit. FERC said that steps may not need to be repeated if data was still valid and scoping was still valid, otherwise certain steps would need to be repeated. However, on 3/6/08, after Northwest was able to come to an agreement with the competitor and the competitor did not accept the preliminary permit, FERC rescinded the permit. FERC then issued the

permit to Northwest. Also on 3/6/08 Northwest requested that FERC reinstate the ILP. That matter is pending at FERC.

OTTER CREEK (P-2558)
18 MW

NOI filing date, March 29, 2007

The existing Otter Creek Project consists of three developments on Otter Creek: (1) the Proctor development located in Proctor, VT; (2) the Beldens development located in New Haven, VT; and (3) the Huntington Falls development located in Weybridge, VT. Vermont Marble Power filed its Pre-Application Document on March 29, 2007. FERC issued a notice of the NOI and scoping meetings on May 21. Scoping meetings were held June 6 and comments are due July 27. Vermont Marble Power submitted their proposed study plan on September 10, 2007. On October 12 FERC approved VMP request to delay study plan meeting one week until October 17. On 12/10 FERC provided comments on the Proposed Study Plan. On 1/9 VMP submitted a revised proposed study plan. On 2/7 FERC issued a study plan determination stating Vermont Marble's revised study plan is approved with the following modifications: (1) data collection at modified bypass evaluation flows; (2) two additional study plans for reservoir drawdown; and (3) deadlines for filing of the draft and final historic properties management plan (HPMP).

BRASSUA PROJECT (P-2615)
4.18 MW

NOI filing date, March 29, 2007

On March 29, 2007, licensees FPL Energy Maine Hydro LLC, Madison Paper Industries, and Merimil Limited Partnership filed an NOI/PAD for the relicensing of their Brassua Project, located on the Moose River in Somerset County, Maine. The licensees requested that FERC conduct the relicensing using ILP. The current license expires March 31, 2012, and a license application must be filed with FERC on or before March 31, 2010. FERC issued a notice of NOI/PAD and scoping meetings on May 10. Scoping meetings were held June 28. Comments are due July 27. On July 24 FERC requested additional information and study plans to be filed by September 10. Comments were filed by various agencies and on July 27 by licensee. On September 10 FERC issued a Revised Scoping Document. The licensees filed proposed study plans on September 10, 2007. On October 3, FPLEM requested certain procedural waivers which FERC approved on October 4. The approval provided for the study plan meeting to be held no later than November 2, 2007, and the other dates related to developing study plans be extended approximately four weeks. Modifying the scheduled milestones would not affect the remainder of the ILP schedule, or inhibit conducting studies during the 2008 field season and file the initial study report by February 6, 2009. On 1/7 FERC's letter reviewed the PSP and requested additional studies. None of the plans contained estimated costs of doing the studies. A revised study plan was filed on 2/6. On 3/6 FERC is the study plan determination and approved the plan with certain requests for study modification

concerning fisheries, terrestrial resources, cultural resources, and shoreline ownership and development inventory.

NATURAL DAM (P-2851)
1.0 MW

NOI filing date, April 13, 2007

Cellu-Tissue's license for the Natural Dam project expires March 31, 2012. The project is located on the Oswegatchie River in Gouverneur, NY. Cellu-Tissue notified Indian tribes by letter dated August 7. On August 10, FERC granted authorization to Cellu-Tissue in order for them to conduct day-to-day Section 106 consultation responsibilities in regards to the relicensing effort. The PAD was filed on April 13, and its notice to use the ILP process was filed on April 17. FERC noticed the NOI/PAD and scoping meetings on May 30. Scoping meetings were held on June 26 and comments are due August 11. Comments were received from various entities. On August 24, FERC issued its additional studies request letter. The letter included an additional information request due September 25, 2007. The proposed study plan was filed on September 24. On 12/20 FERC had minimal comments on the PSP. On 2/22 FERC issued the Study Plan Determination. Study plans were approved with modifications requested concerning Delphi flow study and cultural resources.

ROCK CREEK (P-12726)
2.3 MW (new capacity)
<http://www.eolp.net>

NOI filed April 17, 2007

Eastern Oregon Light & Power Co., LLC (EOL&P) was formed to preserve the historic 1903 Rock Creek hydroelectric plant located in NE Oregon. EOL&P offers occasional public tours in cooperation with the local museum. The Pelton turbines, GE generators, and most of the meters and switchgear are original 1903 vintage. The plant ran until March 31, 1995, and was decommissioned in 2003.

EOL&P acquired the Rock Creek plant from the region's electric cooperative in May 2005. They filed their Preliminary Permit on August 21, 2005, and FERC issued their order granting EOL&P's Preliminary Permit on April 16, 2006.

EOL&P is proposing to restore the existing 800 KW back to operating condition, and construct a backup/spring run-off plant. This will allow the site to operate in a historically accurate manner for tours, but having the backup plant would relieve much of the operational pressure on the historic plant.

Additionally, the backup plant would be used for 4-10 weeks each spring to take advantage of the very high spring run-off flows in Rock Creek. EOL&P had originally thought that this plant would be approximately 1.5 MW. However, due to the increase in Oregon's Business Energy Tax Credit during the 2007 legislature, EOL&P is currently reviewing their feasibility numbers with the possibility of sizing the back-up plant at 2.0 to 2.75 MW. Given the higher state tax credit, the larger back-up plant may be feasible.

EOL&P e-filed their NOI and PAD on April 17, 2007. FERC noticed the NOI/PAD on June 12. Scoping meetings were held on July 12. EOL&P's study plan was filed September 25. The study negotiation meetings were held October 30th & 31st. Further negotiations were held via e-mail and phone.

EOL&P e-filed their Revised Study Plan on January 23, 2008. FERC approved their RSP on February 12, 2008 “, without modifications.

LESSONS LEARNED

We are still early on in the process, but as everyone has stated – collaboration is the key. When it came to the study plan, even when there were requests or conditions that EOL&P deemed not to satisfy the ‘nexus’ requirement, we weighed the cost and delay factors associated with contesting them, versus the spirit of cooperation that could be gained from accommodating these requests. At this point, we have accommodated nearly all of those requests.

EMERYVILLE HYDROELECTRIC PROJECT (P-2850) 3.5 MW

NOI filed May 31, 2007

Hampshire Paper Company's (HPC) project is on the Oswegatchie River in St. Lawrence County, NY. On June 8 FERC notified a number of Indian Tribes of the NOI/PAD. On July 30 FERC issued notice of the NOI/PAD, Scoping document, request for comments by September 28, and set up scoping meetings for August 28/29. The PSP was filed 11/9. The study plan meeting was held on December 5 and December 14 the meeting notes were filed. On 2/11 FERC provided comments on the PSP, primarily concerning fishery studies. .

SCOTLAND PROJECT (P-2662) 2 MW

NOI filed August 30, 2007

First Light Hydrogenating Company's project consists of an existing 391-foot-long, 32.5 to 35-foot-high structure consisting of earth, gated, and Ambursen type dam sections, a 134-acre reservoir with a usable capacity of 268 acre-feet and a powerhouse at the east abutment containing a single 2,000 kW turbine generator. It is located on the Shetucket River in the town of Windham, CT. The Scotland facility is currently operated as a pulsing project whereby two feet of pond storage is used to operate the one unit at best gate, or when flows are high, at full gate. FirstLight is evaluating its options relative to future project operations including continuing with the current mode of operation or potentially converting the facility to run-of-river. FirstLight is currently evaluating how changes in project operation would impact generation at the site as well as the cost associated with modifying the existing unit. FERC in a letter on October 30 released Scoping Document 1 with comments by December 30. On 11/14 FERC issued a notice of the competing applications, scoping documents and meetings, and desire for comments for both projects. On 11/30 First Light submitted the PowerPoint presentation for the scoping

meeting. December 31 FERC provided comments on the PAD and requested additional information including on the study plan. On 2/12 the PSP was filed. Also on 2/12 Scoping Document 2 was issued.

SCOTLAND PROJECT (P-12968)
Competing Application with P-2662
2 MW existing, 2.4 MW new capacity

NOI filed August 30, 2007

Norwich Public Utilities filed an NOI/PAD to compete with FirstLight's project. NPU proposes to expand the available generating capacity of the project. In addition to the single vertical propeller turbine and generator already present, the powerhouse would be equipped with a second generating unit consisting of a new vertical Kaplan turbine and a new generator with an installed capacity of 2,400 kW. The expanded Scotland Project would utilize a hydraulic head of approximately 26.9 feet and be capable of generating approximately 10,000,000 kWh on an average annual basis. NPU proposes to change the operation of the Scotland Project from the present store and release regime to a continuous run-of-river mode. FERC in a letter on October 30 released Scoping Document 1 with comments by December 30. On 11/14 FERC issued a notice of the competing applications, scoping documents and meetings, and desire for comments for both projects. On 11/27 Norwich submitted the presentation for the scoping meeting. December 31 FERC provided comments on the PAD and requested additional information including on the study plan. The responses are due by 2/12. PSP was filed on 2/08. Scoping Document 2 was issued on 2/12.

THOMSON PROJECT (P-12741)
20 MW (new capacity)

Start of Proceeding, October 8, 2007

Albany Engineering Corporation's Thomson Project was granted a preliminary permit on March 6, 2007. It will utilize an existing dam owned by New York State Canal Corporation (NYSCC) and is located on the Hudson River. AEC filed an NOI on 9/20/06. The project had its request to use the TLP process denied on December 26, 2006. AEC filed a PAD on October 1, 2007. AEC has the property adjacent to the north shore of the Hudson River in Washington County where the proposed Thomson Project is to be developed, as well as with New York State Canal Corporation. AEC is confident it will have access to all required properties necessary to complete the required studies. A 12/11 letter from NY State Canal Corp states that based on state law, this developer would have to acquire a Hydropower Easement to develop the project. On October 1 FERC issued notice of scoping document 1, with comments due November 13. In that notice FERC set the beginning of the proceeding as 10/8/07. Scoping meetings are November 7/8. On 12/7 FERC commented on the PAD. By the filing of the study plan proposal, 1/21, Albany needs to provide additional information on threatened and endangered species and provide for studies on aquatic resources, cultural resources, and recreation. PSP was filed on 1/21. Comments on the PSP are being filed.

MIDDLE FORK AMERICAN RIVER PROJECT (P-2079) NOI filed December 13, 2007
223.7 MW

<http://relicensing.pcwa.net/index.htm>

Placer County Water Agency filed the NOI on 12/13/07 for the five powerhouses project located in Placer and El Dorado Counties, California. The current FERC license expires on March 1, 2013. The PAD included 28 stakeholder approved technical study plans. In March 2008, FERC will initiate the NEPA process with a local scoping meeting, followed by a field visit in June, 2008. PCWA chose to implement a suite of technical study plans in 2007, prior to filing its PAD, and will continue implementation in 2008.

OSWEGATCHIE HYDROELECTRIC PROJECT (P-2713) NOI filed December 28, 2007
30.32 MW NEW

Erie Boulevard Hydropower, L.P. filed their NOI/PAD on 12/2/2007. The project consists of six powerhouses located along 90 miles of the Oswegatchie River, within St. Lawrence County, NY. Scoping meetings will be held 3/25-26/2008.

YARDS CREEK PUMPED STORAGE HYDRO PROJECT NOI filed January 11, 2008
364.5 MW NEW

Jersey Central Power and Light Company and PSEG Fossil LLC (licensees) filed the NOI/PAD on 1/11/08 for the project located on Yards Creek in Warren County, NJ. Scoping meetings and site visit are scheduled for 4/2/08.

WICKIUP DAM HYDROELECTRIC PROJECT (12965) NOI filed January 22, 2008
7.15 MW (New Capacity) NEW

Symbiotics, LLC as agent for Wickiup Hydro Group, LLC, (Symbiotics) filed their NOI/PAD on 11/22/08. The project would consist of a powerhouse and transmission line to be located at the U.S. Bureau of Reclamation's Wickiup irrigation dam and reservoir on the Deschutes River in Deschutes County, Oregon. On 8/20/07 Symbiotics filed a preliminary permit application that is still pending. By letter dated February 6, 2008, FERC notified Symbiotics that until a preliminary permit is issued to them for the subject project, the ILP would be held in abeyance in order to conserve FERC staff resources. Holding the ILP in abeyance was done by waiving section 5.8 (a) of 18 CFR. If Symbiotics is issued the permit, FERC will establish new deadlines for the ILP. The preliminary permit application was noticed on 1/24/08.

OOLAGAH LAKE DAM PROJECT (P-12538)
25.7 MW (new capacity) NEW

NOI filed January 31, 2008

Symbiotics, LLC agent for Oolagah Lake Dam Hydro, LLC (Symbiotics) filed an NOI/PAD on 1/31/08 for the U.S. Corps of Engineers' Oolagah Lake Dam located on the Verdigris River in Rogers County, Oklahoma.

On 3/7/08 FERC told Symbiotics that the preliminary permit issued on March 25, 2005 expired on February 29, 2008. On March 3, 2008, Symbiotics filed an application for a successive preliminary permit for the Oolagah Lake Dam Project. Because the submittal of the NOI and PAD does not grant the same rights as a preliminary permit, to conserve staff's resources, FERC said they would hold Symbiotics' Integrated Licensing Process (ILP) for the project in abeyance until such time that Symbiotics receive another preliminary permit. FERC further said "Should you receive a successive preliminary permit for this site, you may request that your ILP be reinitiated. To the extent that your proposal has not changed and the information has not become stale, you would not need to repeat completed ILP steps."

SUTTON HYDROELECTRIC PROJECT (12693)
10.3 MW (new capacity) NEW

NOI filed February 6, 2008

Sutton Hydroelectric Company LLC (Sutton) filed an NOI/PAD on 2/6/20 for the project to be located at the U.S. Corps of Engineers' Sutton Dam on the Elk River in Braxton County, WV. An existing preliminary permit expires 9/30/09.

FRENCH MEADOWS TRANSMISSION LINE (2479)
No capacity NEW

NOI filed February 21, 2008

Pacific Gas and Electric Co (PG&E) filed their NOI/PAD on 1/21/08 for their existing 13.3 mile long, 60 kV transmission line that extends from the French Meadow powerhouse (Placer County Water Agency's P-2079—see above) to the Middle Fork Powerhouse. The project also includes a 900' 60 kV line and a 230 kV tap, both from PCWA powerhouses. All three transmission lines are wholly or partially on U.S. lands and in Placer County, CA.

PINE CREEK MINE HYDRO PROJECT (P-12532)
1.5 MW (New Capacity) NEW

NOI filed February 29, 2008

Pine Creek Mine, LLC (Pine Creek) filed an NOI/PAD on 2/29/08 which was also the last day of their preliminary permit. A subsequent preliminary permit application was filed 3/3/08. The project would be located at an underground adit at the Pine Creek Mine. The Pine Creek Mine is a tungsten mine that began operating in 1916. The project would be located in Inyo County, CA near Morgan and Pine Creeks. A motion to intervene was filed by a potential competitor, KC LLC. On 3/10/08 FERC dismissed the

motion saying that a motion to intervene in the ILP at the *pre*-application stage is not appropriate. Because Pine Creek Mine has not yet filed a license application, FERC said there is no proceeding in which to intervene.

LAKE POWELL HYDROELECTRIC PROJECT (P-12966) NOI filed March 4, 2008
351 MW (New Capacity) NEW

Utah Board of Water Resources (UBWR) filed the NOI and PAD on 3/4/08. This project is a component of the Lake Powell Pipeline water supply project that would convey Upper Colorado River Basin water from Lake Powell in Arizona to locations in southwest Utah.

The project is proposed to be located in Kane, Washington, and Iron Counties, Utah, and in Coconino and Mojave Counties, Arizona. One penstock would start approximately 25 miles from the water supply project's intake system and run about 7 to a powerhouse. Another penstock would start at a regulating tank, 51 miles from the water project intake, passing through multiple hydro stations, and terminating at the tailrace of the Sand Hollow Hydro Station, 11 miles east of St. George, Utah. The hydro project would consist of penstocks, in-line turbine generators, regulating tanks, forebay, shafts, tunnels, powerhouses, afterbay, transmission lines, and substations.

SAVE THE DATE
2008 NHA Annual Conference, April 13-16