Federal Energy Regulatory Commission (FERC)



Scoping Meetings for the Otter Tail River Hydroelectric Project

August 30 & 31, 2016

Housekeeping Items

- Sign-up sheets
- Court Reporter (independent party)
 - -<u>Transcripts</u>
 - o Will be available and made part of public record.
 - -Speakers
 - ➤ Please state name and affiliation, spell out name and acronyms.
 - Everyone who wishes to speak will have an opportunity to do so.
 - Please speak clearly and one at a time.

Agenda

- 1. Who is FERC?
- 2. Integrated Licensing Process (ILP) overview
- 3. Purposes of scoping
- 4. Request for information and studies
- 5. Presentation by Otter Tail Power
- 6. Resource issues identified in scoping document (SD1)
- 7. Important dates
- 8. How to stay informed
- 9. Final comments/questions



About FERC

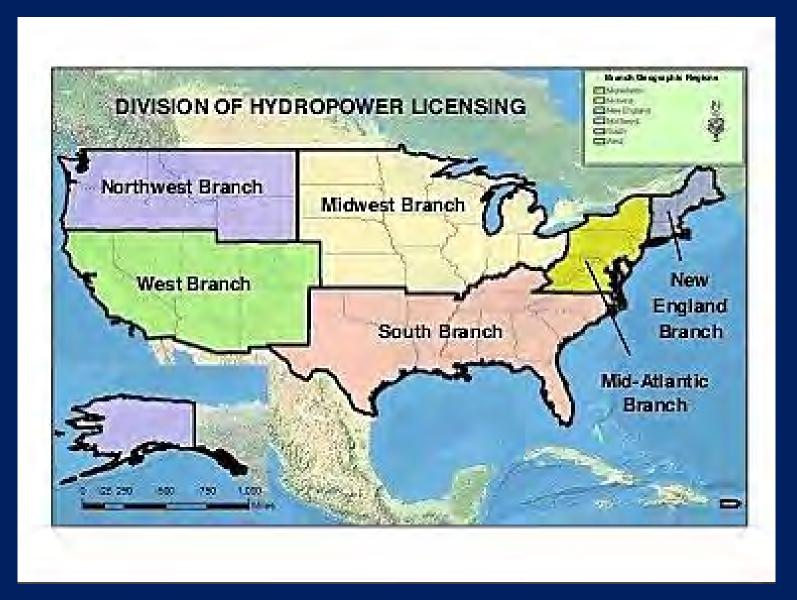


- Independent federal agency that regulates the interstate transmission of natural gas, oil, and electricity. FERC also regulates natural gas and *hydropower projects*.
- 5 (currently 4) FERC Commissioners appointed by the President and confirmed by the Senate (President appoints the Chairman).
- FERC is supported by a staff of about 1,500 employees.

About FERC (cont.)



- Office of Energy Projects (340 employees)
 - Division of Hydropower Licensing
 - Division of Hydropower Administration and Compliance
 - Division of Dam Safety and Inspections
- FERC's authority derives from the Federal Power Act (FPA)
 "balancing act"
- Licenses are issued for a term of 30 to 50 years
- Approximately 2,600 licensed or exempted FERC projects



Midwest Branch has 12 employees (including branch chief)

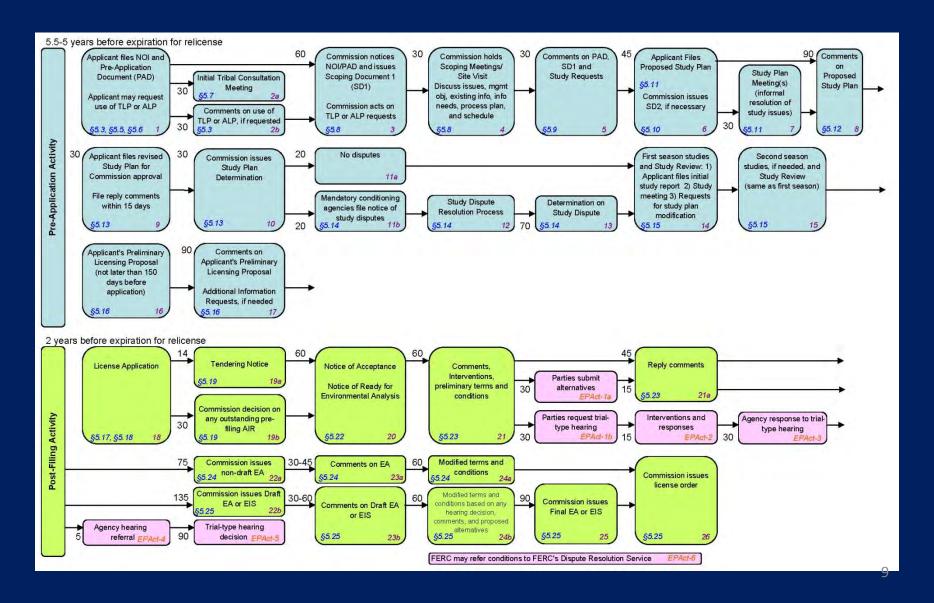
FERC's Hydropower Jurisdiction

- Non-Federal hydro projects are subject to FERC jurisdiction and required to be licensed, if:
 - a) Located on navigable waters of the US.
 - b) Located on public lands or reservations of the US.
 - c) Project utilizes surplus water or waterpower from a Federal dam.
 - d) Affects interstate or foreign commerce.

The Integrated Licensing Process (ILP)

- Became the default licensing process in 2005
- Founded on three fundamental principles:
 - 1) Early identification and resolution of studies
 - 2) Integrate agency and tribal permitting process needs, including NEPA, the applicant's pre-filing consultation, and federal and state permitting needs (e.g., section 401 CWA, ESA)
 - 3) Established timeframes to complete process steps

Integrated Licensing Process



Project License

Integrated Licensing Process (ILP)

Pre-filing (3 – 4 years)	Post-filing (~1.5 years)
 Consult with interested 	• Seek comments from
parties on issues and	interested parties
studies	 Prepare EA or EIS
 Gather information 	and seek comments
 Conduct studies 	 Weigh all information in
• Prepare license	record before
application	Commission decision

Initial Steps (Pre-filing)



Initial
Proposal &
Information
Document

June, 2016

Scoping
Meetings &
Public
Comment

Study Plan Development Conduct
Studies &
Prepare
Application

1 year

2-3 years

Purpose of the PAD

 Brings together all existing, relevant, and reasonably available information

 Provides basis for identifying issues, data gaps, and study needs

Forms the foundation of future documents

Sets the schedule for the ILP

Scoping Meetings and Public Comments (Pre-filing)



Purposes of Scoping?

• To solicit public input and comments on the scoping document (SD1).

• Identify the issues associated with the proposed project.

Discuss existing conditions and potential information needs.

Purposes of Scoping? (cont.)

• We are here to solicit public input on the SD1:

- -What are the <u>resource issues</u>? (i.e., Did we get it right in SD1 or are we missing something?)
- -Is there any info you can provide on potentially affected resources that we don't have and would help us?

Purposes of Scoping? (cont.)

- We are here to solicit public input on the SD1:
 - Are there issues listed in SD1 that don't need to be considered?
 - We also want to know about any cumulative effects or alternatives that should be analyzed and whether or not our geographic scope is adequate.
 - -Comments on SD1 are due <u>10/1/2016</u>

Study Plan Development (Pre-filing)

 \downarrow

Initial
Proposal &
Information
Document

Scoping
Meetings &
Public
Comment

Study Plan Development Conduct
Studies &
Prepare
Application

Fall 2016 – Spring 2017

1 year

2-3 years

Request for Information and Studies

- Information that may help define the geographic and temporal scope of the analysis and identify substantial environmental issues.
- Any data that would help to describe the existing environment and effects of the project and other developmental activities on environmental and socioeconomic resources.

Request for Information and Studies (cont.)

- Identification of any federal, state, or local resource plans and any future project proposals in the affected resource area.
- Documentation showing why any resources or identified issues should be excluded from further study or consideration
- Study requests that would help provide a framework for collecting pertinent information on the resources potentially affected by the project.

Study Request Criteria

(Appendix A of SD1)

- Describe goals and objectives of study proposal.
- Explain relevant resource management goals.
- Explain relevant public interest considerations.
- Describe existing information and need for additional information.

Study Request Criteria (cont.)

(Appendix A of SD1)

- Explain nexus between project operations and effects and how study results would inform the development of license requirements.
- Describe methodology and how it's consistent with accepted practice.
- Describe consideration of level of effort and cost of study and why alternative study is needed.

Request for Information and Studies

- Comments on SD1 and study requests are due on 10/1/2016
- Clearly identify the following on the first page: Otter Tail River Hydroelectric Project No. 10853
- Can be filed electronically via the internet or by mail
- Address all communications to:

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, DC 20426



Conduct Studies & Prepare Application (Pre-filing)

Initial
Proposal &
Information
Document

Scoping
Meetings &
Public
Comment

Study Plan Development Conduct
Studies &
Prepare
Application

2017 & 2018

2-3 years

1 year

Presentation by Otter Tail Power



Otter Tail River Hydroelectric Project



HYDRO ELECTRIC STATION RELICENSING

OTTER TAIL RELICENSING TEAM

- Mike Olson Project Manager
- Bill Swanson Manager Supply Engineering
- Mark Bring Associate General Counsel
- Sarah Casey Public Relations

Randy Dorman – Kleinschmidt Associates

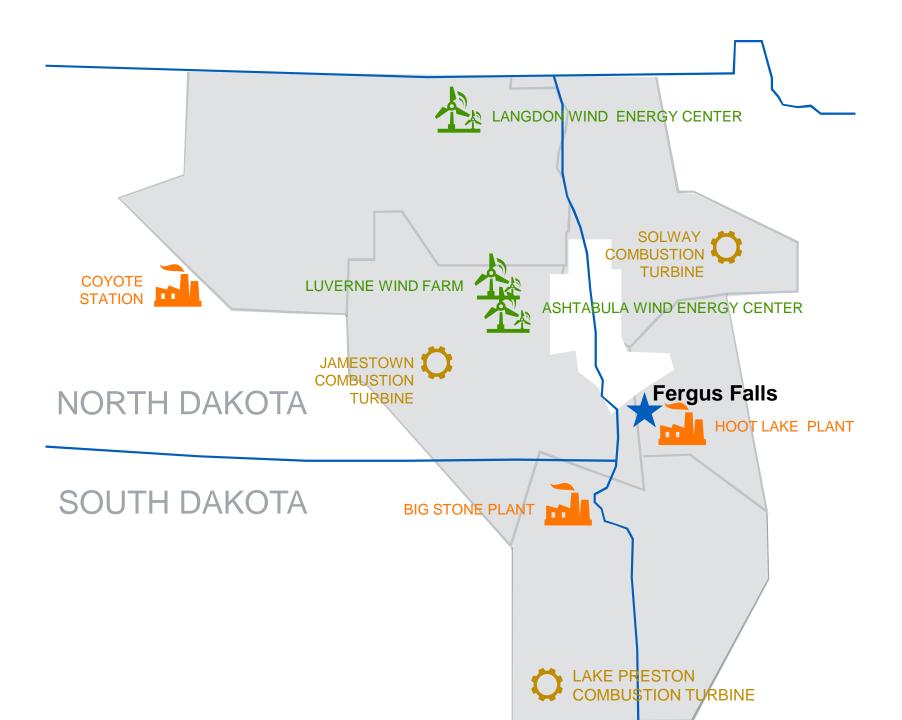
AGENDA

- 1. About us
- 2. Project overview
- 3. Project website



ABOUT US

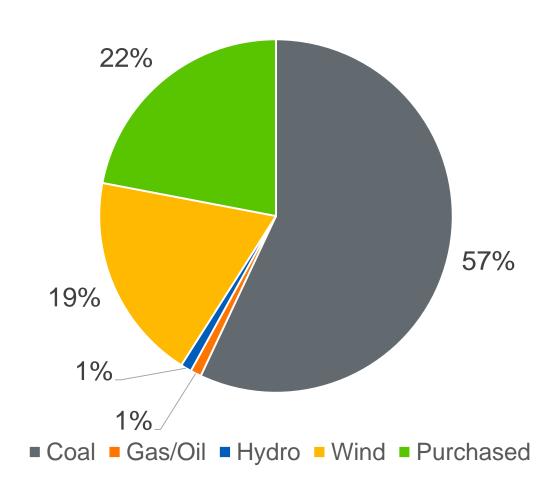




SERVICE AREA

- 70,000 Square miles
- 131,200 Customers
- 422 Communities
- Avg population about 400
- 785 Employees
 - 495 Minnesota
 - 200 North Dakota
 - 90 South Dakota
- About 800 MW owned generation
- About 245 MW wind Generation
- About 5,600 miles of transmission lines

TYPICAL ENERGY RESOURCE MIX



OUR GOAL



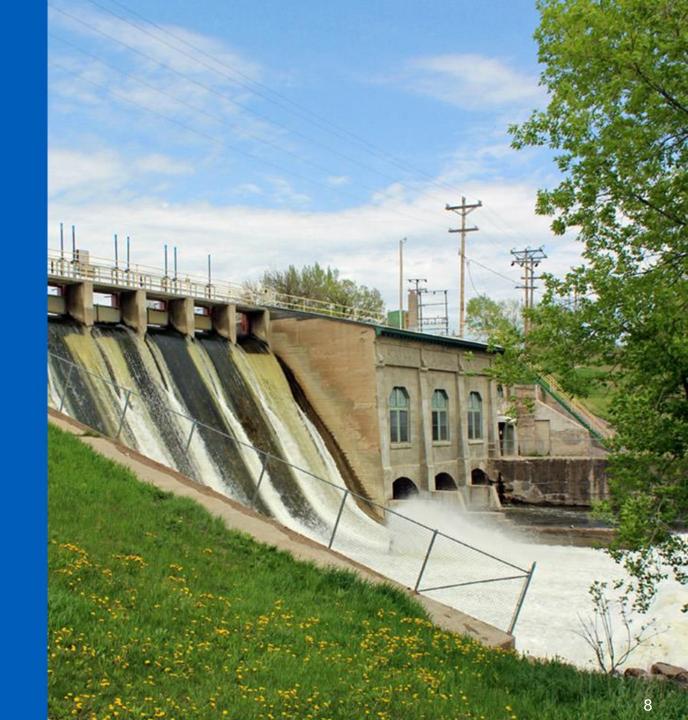




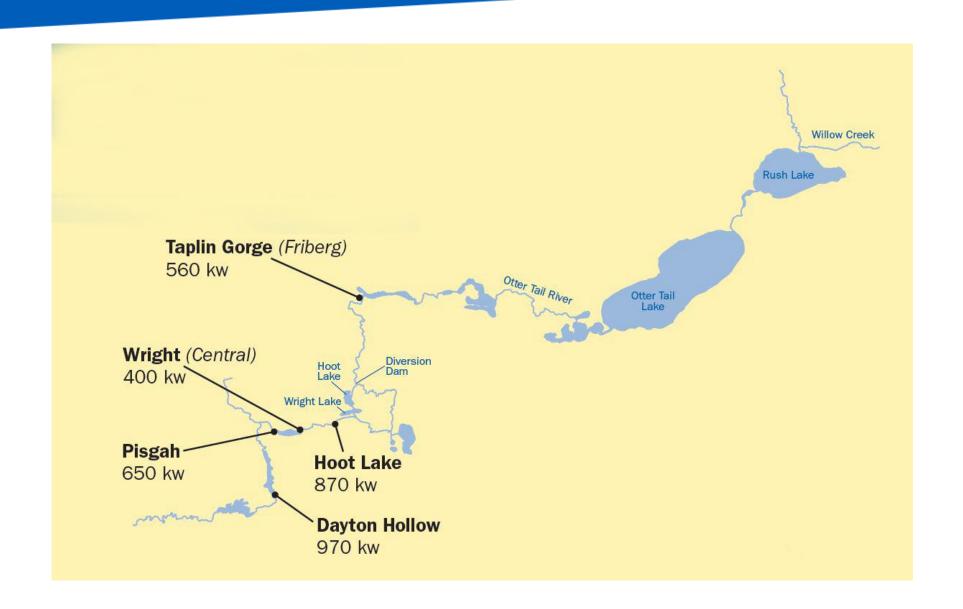
Balance.



PROJECT OVERVIEW

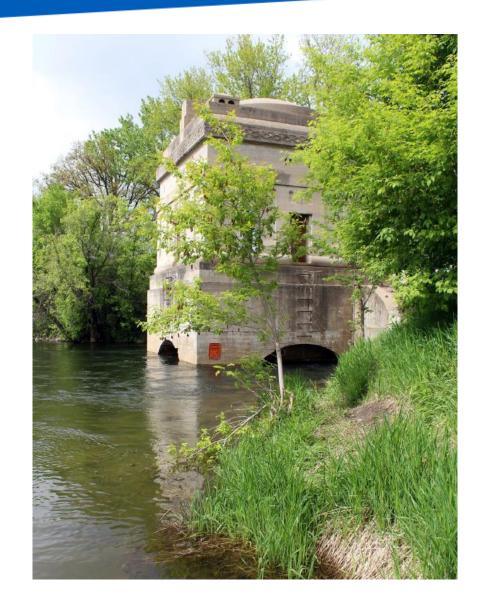


STATION LOCATIONS



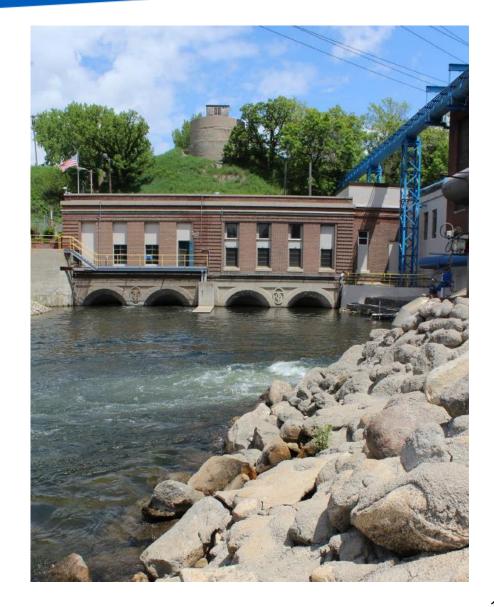
TAPLIN GORGE (FRIBERG)

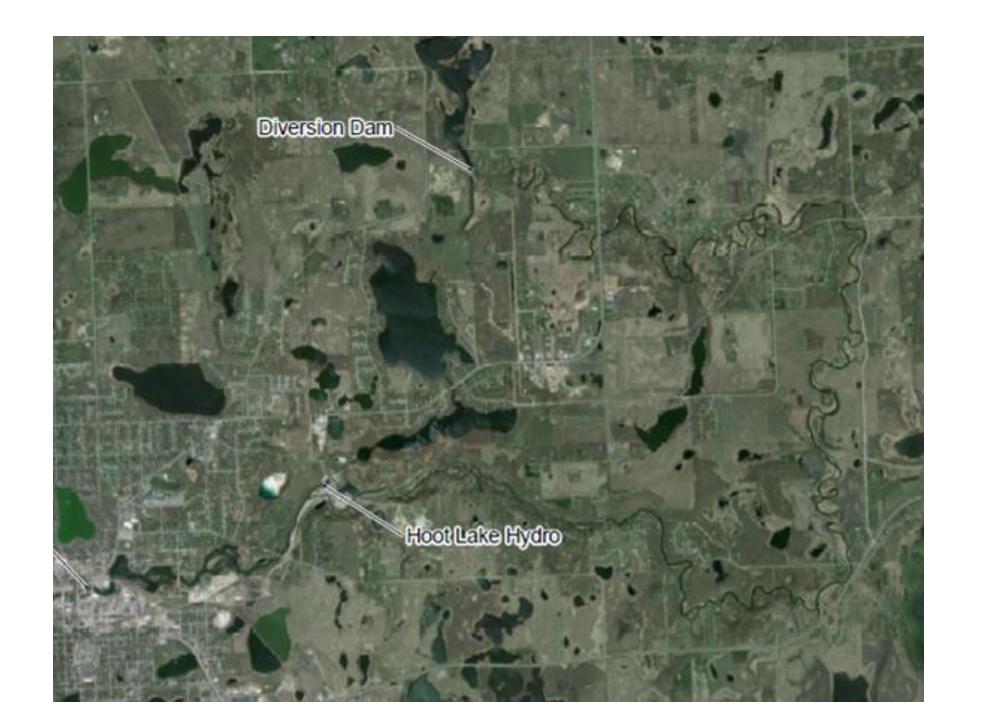
- Capacity: 560 kilowatts
- Age: Online since 1925
- Reservoir elevation: 1,299 feet msl



HOOT LAKE (INCLUDES DIVERSION DAM)

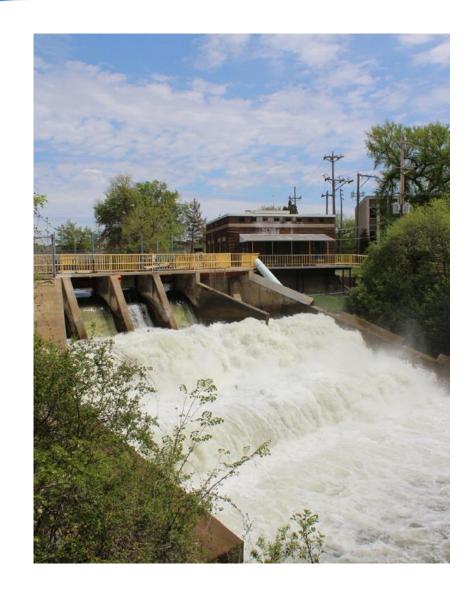
- Capacity: 670 kilowatts
- Age: Online since 1914
- Reservoir elevation: 1,256 feet msl





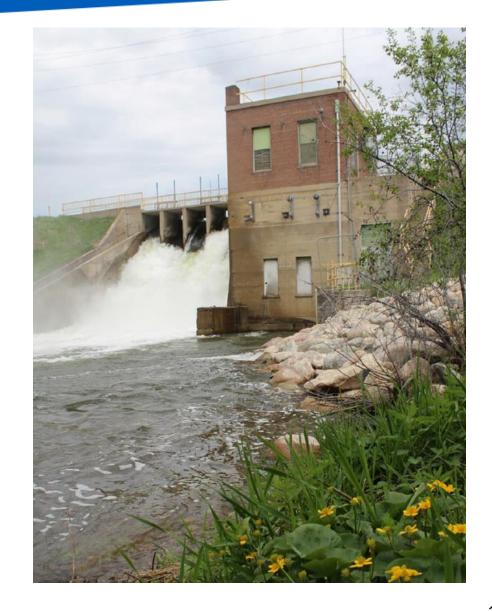
WRIGHT (CENTRAL)

- Capacity: 400 kilowatts
- Age: Online since 1922
- Reservoir elevation: 1,181 feet msl



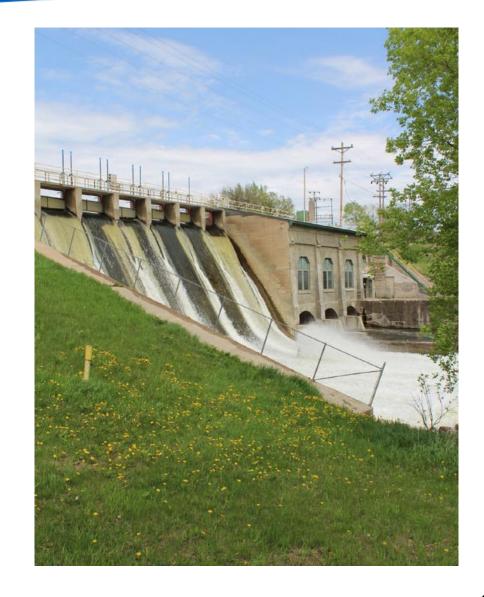
PISGAH

- Capacity: 650 kilowatts
- Age: Online since 1918
- Reservoir elevation: 1,156 feet msl



DAYTON HOLLOW

- Capacity: 970 kilowatts
- Age: Online since 1909
- Reservoir elevation: 1,107 feet msl



otpco.com/Hydro



Resource Issues Identified for Scoping

- Aquatic Resources
- Recreation and Land Use Resources
- Terrestrial Resources
- Cultural Resources
- Threatened and Endangered Species Resources
- Developmental Resources

Aquatic Resources



- Effects of impingement and turbine entrainment on fish populations in the Otter Tail River.
- Effects of minimum flow releases on the quality of aquatic habitat in the bypassed reach of the Friberg development.

Terrestrial Resources



• Effects of continued project operation and maintenance activities on riparian, littoral, and wetland habitat and associated wildlife.

Threatened and Endangered Species





• Effects of continued project operation and maintenance on the federally threatened gray wolf and northern long-eared bat.

Recreation and Land Use



- Adequacy of existing recreational facilities and public access at the project to meet current and future recreational demand.
- Effects of continued project operation and maintenance on land use within the project area.

Cultural Resources

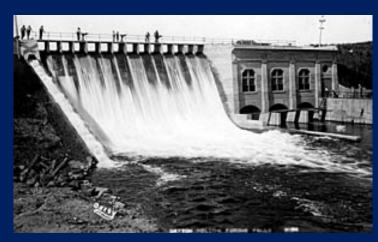


Image: Dayton Hollow Dam, 1909

• Effects of continued project operation on properties that are included in or eligible for inclusion in the National Register of Historic Places.

Developmental Resources



• Effects of any proposed or recommended environmental measures on the project's economics.

Important ILP Dates

PAD/SD1Comments Due: 10/01/2016

Proposed Study Plan: 11/15/2016

Study Plan Meetings: 12/15/2016

Study Plan Comments Due: 02/13/2017

Revised Study Plan: 03/15/2016

Study Plan Determination: 04/17/2016



• See <u>Appendix B of SD1 (errata)</u> for the full process plan and schedule (handouts available)

How to Stay Informed

- Get added to the mailing list (See instructions in section 10 of SD1)
- E-library at www.ferc.gov (please use project docket no. P-10853)
- E-subscription at <u>www.ferc.gov</u>
- Contact me:

Patrick Ely

Email: patrick.ely@ferc.gov

Phone: 202-502-8570

Comments or Questions?

