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BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Number
MILLVILLE HYDROELECTRIC PROJECT : P-2343-081
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Hampton Inn
157 Pimlico Drive
Charles Town, WV 25414

Wednesday, February 6, 2013

The above-entitled matter came on for Scoping Meeting,
pursuant to notice, at 10:00 a.m., Michael Spencer, FERC
Moderator.

1 PROCEEDINGS

2 MR. SPENCER: Good morning.

3 I'm Michael Spencer, the FERC coordinator for the
4 scoping meeting for the Millville Project, Project No. 2343.
5 This is the scoping meeting for that project this morning at
6 10:00 a.m.7 I'll be happy to answer any questions anyone has,
8 and if anyone arrives late, I'll be happy to go over
9 anything they might have missed or any interests or issues
10 they want to discuss. We'll go ahead and start.11 Here's the agenda for today. I'll read the
12 introduction, and then I'm going to give a process overview,
13 the purpose of scoping and what scoping entails. And then
14 Allegheny Energy will present the project overview and the
15 project description. We will discuss any possible issues or
16 discuss what issues people may want to bring up, what
17 studies they may want to see conducted. I will go over the
18 important upcoming dates for our process, the prefiling
19 process and the integrated licensing process, and then we'll
20 entertain any comments or questions at the end.21 We have registration. We have a sign-in sheet at
22 the front of the room. I'd appreciate if everyone would
23 sign in.24 We do have a court reporter present. So when you
25 ask your question or make your comment, if you would please
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1 preface that with your name and affiliation. We'd greatly
2 appreciate that.

3 There will be an opportunity to supply written
4 comments. There is a comment period, I believe 30 days from
5 the date of this meeting, for comments to be filed about
6 this meeting, about the project. And there will be further
7 time frames for comments and recommendations, and obviously
8 study requests upcoming in the process.

9 Please come in. I'm just getting started, and we
10 have a sign-up sheet right up front. I'm going to back up
11 the agenda just to go over that with you.

12 (Pause.)

13 For your information, I'll read in the
14 introduction. Then I'm going to provide an overview of our
15 process, the scoping process as well as the integrated
16 licensing process which we're beginning. Then Allegheny
17 Energy representatives will provide a project overview and
18 description, and we'll have a discussion of any possible
19 issues you may want to bring up, and how to do that. I will
20 also go over then important upcoming dates for the process,
21 and then entertain any comments or questions -- although if
22 you have one during the course of the proceedings, since it
23 seems that it's a modest attendance, I'll entertain it at
24 the time you come up with those.

25 I just said we do have registration. Just sign
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1 in. We do have a court reporter. Please, before making any
2 comments or start asking any questions, first state your
3 name and affiliation. There will be an opportunity for
4 written comments in the next 30 days after this meeting, and
5 there is a mailing list that you can request to be a part
6 of, either asking me or filing a request at the FERC.

7 The integrated licensing process is the Federal
8 Energy Regulatory Commission's now default licensing
9 process. These boxes show how the process begins and how it
10 proceeds. We have already had the NOI, the Notice of
11 Intent, filed and the pre-application document filed.
12 That's what kicks off the process.

13 We're currently scoping, trying to reveal any
14 issues that need to be studied or that need studies, or need
15 to be discussed, and the details are waiting to be worked
16 out. We're conducting two meetings today, and we'll also be
17 going on site visits.

18 From the scoping, we're going to put together a
19 study plan. We have people put together a study plan, and
20 it will be reviewed and adapted and modified and put
21 together laying out the studies that we've conducted in the
22 upcoming time frames, which can take one to two years after
23 the studies have been fully set. And we issue a
24 determination letter formalizing what needs to occur in the
25 way of studies in the upcoming time frame.

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1 All that is in preparation of the license
2 application, which will be the finish of pre-filing when the
3 relicensing application is filed. After that, it becomes a
4 formal process within the FERC whereby we evaluate the
5 application. And if there are any additional information
6 needs, we settle those off.

7 When we feel that we have a complete record, in
8 order to conduct an environmental assessment, we will issue
9 an REA, or a Ready for Environmental Assessment notice
10 requesting that stakeholders and resource agencies file
11 their terms, conditions and recommendations for the project.
12 At the close of that comment period, which is 60 days, then
13 we gather those filings together and use them in our
14 environmental assessment of the project.

15 When we're finished with the assessment, we do
16 issue that to the public, and then we proceed using those
17 recommendations in preparing any kind of order relicensing
18 the process. The time frames can take, as this slide shows,
19 up to a year to develop the studies, one to two years to
20 conduct the studies and gather the consultation and the
21 conclusions of those studies, and use it in preparation of
22 the license application. And then, typically, it takes no
23 longer than a year and a half, and frequently it takes less
24 than a year and a half, from the application filing until a
25 license order is issued.

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1 This scoping process, and these meetings we're
2 conducting today, FERC's role is to try and make sure that
3 there are no issues that are left unresolved as we proceed
4 through it. Nothing crops up at the end that might delay
5 the process or cause further studies later on. It's better
6 to have everything identified early on and have a discussion
7 of these situations, issues, so that they can be resolved
8 and successful relicensing can be achieved. We want to
9 identify issues related to environment, everything --
10 biologically, recreationally, land use, all those. We can
11 discuss any of the existing conditions.

12 The pre-application document discloses all the
13 existing information that the Applicant has compiled and
14 processed to provide as much information for all the
15 stakeholders, as well as the FERC, in evaluating the project
16 situation. We're going to explore any additional
17 information needs and hopefully resolve those during
18 pre-filing, so that it's a very compact and efficient
19 relicensing after the application is filed.

20 We'll be happy to discuss the process plan. I
21 will give the upcoming deadlines, the dates that need to be
22 met and what needs to be filed, if there is any need for
23 that.

24 At this time, I'm going to turn the meeting over
25 to Laura Cowan. She's going to provide the project overview
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1 and description.

2 MS. COWAN: Okay, thank you.

3 As he mentioned, my name is Laura Cowan. I work
4 for Kleinschmidt, and we are consultants representing First
5 Energy, or Allegheny Energy, in this relicensing. I'm just
6 going to run through a few of the pieces of information
7 about how the project operates and how it's set up, and give
8 you an overview of some of the environmental resources.

9 Here's a basic overview map of the project
10 itself. You can see in the center there is Charles Town,
11 and just to the east is the Millville Project on the
12 Shenandoah River. The red line on this map is what is
13 considered the FERC project boundary, and the green dot is
14 where the project itself sits.

15 Here's an aerial photo -- I'll carefully step
16 over the wire -- here's an aerial photo of the project
17 itself. If you look at it, the river is going this
18 direction, so it's essentially going south to north at the
19 project. The line right here is the Millville Dam. You can
20 see that the river is divided into two sections. There's
21 the section here, there it's deeper and more of a channel,
22 and there's the overflow part here.

23 So essentially what happens is this is called a
24 head race and there are intakes to the powerhouse along
25 here. There's a wall that separates this channel from the
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1 rest of the river, I'll go through this in more detail in a
2 little bit. Essentially there's a flow that continuously
3 flows over the dam and butts this region, the section of the
4 river that is not part of the headrace.

5 Over here the headrace -- the water comes down
6 through here -- its hard to see in this area. The power
7 house is about right there, and the water goes through the
8 units and is discharged downstream into the tailrace.

9 A few photos of the project itself. Here is the
10 dam itself, as I was explaining before, this picture was
11 taken from where that headrace wall starts, looking across
12 the river. You can see there's a continuous flow that goes
13 over the entire reach of the dam.

14 This is a photo of the headrace itself. This is
15 looking downstream towards the powerhouse. This photo was
16 taken about a year and a half ago, and the headrace -- the
17 wall itself has been built up a little bit since then, but
18 this gives you an idea of the river to the right side of the
19 screen, and the headrace channel to the left side of the
20 screen.

21 Here's a picture of the powerhouse. This is
22 looking from the tailrace, so looking upstream. The
23 powerhouse itself has three units. Combined, it has a
24 hydraulic capacity of 1,970 cfs, and the project is rated
25 for 2.84 megawatts of capacity. Average annual generation
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1 you can see there is about 9000 megawatt hours. That's
2 taking, I think, the average of the last five years or so.

3 As I mentioned before -- the project is operated
4 run--of-river. So what that means is that the incoming
5 water, whatever the rate of water that's coming into the
6 project, is also feeding the project. So there's
7 essentially no fluctuation in the pond behind the dam
8 itself. It's instantaneous run of river.

9 There is a 200 cfs minimum flow over the dam, and
10 that is maintained by that veil of water that you saw across
11 the entire reach. I believe it's about a 1- to 2-inch veil
12 of water.

13 The other operational note that I'll mention here
14 we talked about a bit in a couple of slides: in the fall,
15 September 15 through December 15, the project does not
16 operate overnight. That is to help with downstream eel
17 passage. We'll get to that in a minute.

18 We filed a pre-application document a few months
19 ago, and in that document we talked about the environmental
20 resources, ranging from water quality to botanical species
21 and threatened or endangered species, cultural resources, et
22 cetera. But I want to touch on a couple of them here in
23 this presentation. If you have any other questions, I'll be
24 happy to answer them, or I can provide you with a copy of
25 the PAD if you haven't seen it yet. But I'll touch on at
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1 least water quality and aquatic resources.

2 There have been several historic water quality
3 studies done in the area. What those studies have shown is
4 that there's generally no water quality issues.
5 Measurements of dissolved oxygen or DO, pH and temperature
6 is generally within state standards. There were a couple
7 that exceeded -- there was one pH that was slightly higher
8 than the standard, but it was very rare given the entire
9 data set.

10 And the area itself is typically a warm-water
11 fish assemblage, but we did find that there are a few
12 cold-water fish species present, which basically means that
13 you have warm-water fish assemblage. But somewhere there is
14 some refuge that these cold-water fish species can persist.

15 Eel passage is the one topic I want to touch on a
16 little bit more. The project does provide both upstream and
17 downstream passage. Upstream actually has an eel ladder,
18 and you can see in this figure here at the dam looking
19 upstream, and you can see a vertical structure, a diagonal
20 structure going up the side. That's actually the eel
21 ladder, and that has an attraction flow, and the eel can
22 navigate that, actually squirm up the eel ladder and back to
23 the upstream piece of the dam. From my understanding, this
24 eel ladder has been very successful. In 2011, I think there
25 were 400 eels passed using this method in the summer.

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1 Downstream passage, the project essentially
2 provides a passive method. Downstream eel passage typically
3 occurs at night, and so the project actually shuts down to
4 prevent eels from going through the turbine and potentially
5 being struck by the blades, and so all the eels are passed
6 over the dam passively that way.

7 There are several recreation resources at the
8 project. There are really three main areas, one upstream
9 and two downstream. The upstream area is called the Big
10 Eddy Recreation Area, and this is something that is operated
11 in cooperation with the West Virginia D&R. It essentially
12 consists of a parking lot in the area and a boat ramp, a
13 fairly large boat ramp.

14 Downstream of the dam, there are two areas. One
15 is a fishing platform and small boat launch which is
16 directly downstream of the power house. And further
17 downstream there's a picnic area and somewhat larger boat
18 launch, and that's just maybe 500 feet downstream; maybe a
19 little farther, a thousand feet downstream.

20 I'll point those out on this map here real quick.
21 The upstream recreation area is right around here. The
22 tillwater fishing area is -- the powerhouse is right there.
23 It's a little downstream of it, and further down around here
24 is where that larger picnic area is. The picnic area is
25 there and the other boat launch is there.

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1 With that, I will turn it back over. Thanks.

2 (Pause.)

3 MR. SPENCER: Now, we have had a preliminary
4 discussion of the issues that Laura brought up, and
5 discussed the aquatic situation as well as recreational
6 issues. I don't think there are any identified threatened
7 or endangered species, but we will further identify that and
8 we will, I'm sure, have consultation and a filing by the
9 Department of Interior about that, giving us information if
10 there is any or any have moved into the area.

11 The project has existed for a long time, so I
12 don't think there are any archeological or historic
13 resources that could possibly be impacted. We will evaluate
14 the environmental assessment. After the application has
15 been filed, we'll do an economic analysis of what we think
16 the costs and benefits are of the project.

17 If anyone would like to request a study to be
18 done on any issue, the FERC has seven criteria which they
19 have identified to be able to evaluate the study request.
20 We would like you to identify the study's goals and
21 objectives, consider resource management goals, consider and
22 identify any public interest, consider the existing
23 information which is compiled in the pre-application
24 document as well as in previous filings that we have
25 available through our library at the FERC.

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1 Please provide us a nexus to the project
2 operations and effects of the study which you'd like
3 conducted. Present a methodology which is consistent with
4 accepted practice, and please provide consideration of the
5 level of effort and cost, and why alternative studies would
6 not suffice. So, those seven criteria need to be identified
7 in any study request that is made.

8 Here are the upcoming important dates from the
9 date of this meeting. Study requests will be due by March
10 8, 2013. The proposed study plan will be due April 22 of
11 2013. The Applicant will conduct a study plan meeting to
12 discuss those study requests on May 22, 2013. The study
13 plan will be revised by August 20, 2013, and the FERC will
14 issue a determination of the study plan, setting what
15 studies are to be done and how they need to be done, on
16 September 19, 2013. I'll give you all a chance to finish
17 copying down those dates.

18 (Pause.)

19 All right. Now I'll entertain any questions,
20 comments that anyone may have.

21 MS. COWAN: I maybe should have mentioned this
22 earlier. But Allegheny Energy is not proposing to modify
23 this project or modify their plans. They are proposing to
24 operate essentially as they are operating today.

25 MR. SPENCER: That's a good point. Okay.

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1 Does anyone have any comments or questions?

2 (No response.)

3 MR. SPENCER: If not, I will close the scoping
4 meeting for the morning. Anybody think there might be any
5 additional comments? No objections?

6 (No response.)

7 MR. SPENCER: I'll go ahead and adjourn the
8 meeting. Thank you all for attending.

9 (Whereupon, at 10:21 a.m., the meeting was
10 adjourned.)

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