147 FERC ¶ 62,221 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Copper Valley Electric Association, Inc.

Project No. 13124-015

ORDER AMENDING LICENSE

(Issued June 20, 2014)

1. On April 14, 2014, Copper Valley Electric Association, Inc., licensee for the Allison Creek Project No. 13124, filed an application to modify the design of the project powerhouse, tailrace, and transmission line. The project is located on Allison Creek in Valdez, Alaska and does not occupy federal lands.

Background

The Commission issued an original license for the Allison Creek Project on 2. August 1, 2013.¹ The unconstructed project, as amended,² consists of: (a) a 16-foothigh, 130-foot-long diversion dam including a 50-foot-long overflow spillway section located 10,000 feet (about 1.9 miles) upstream of the mouth of Allison Creek and 2,350 feet downstream from the outlet of Allison Lake; (b) a screened intake in the spillway section; (c) a 42 to 36-inch-diameter, 6,900-foot-long buried steel penstock including a 700-foot-long tunnel section; (d) an approximately 4,000-foot-long temporary construction access road; (e) a 65-foot-wide, 65-foot-long, 48-foot-high powerhouse containing two horizontal Pelton turbine/generator units with a total installed capacity of 6.5 megawatts (MW); (f) a 120-foot-long tailrace extending from the west side of the powerhouse to Allison Creek via a concrete channel and the existing creek bed; (g) a 550-foot-long, 24-foot-wide permanent access road to the powerhouse; (h) a parking area; (i) a transformer located in a switchyard adjacent to the parking area; (j) a 3.8-milelong, 34.5 kilovolt (kV) transmission line connecting to an existing substation; and (k) appurtenant facilities.

Proposed Amendment

3. The licensee states that following a reevaluation of its redundancy needs and construction costs, it has determined a single unit would provide satisfactory service

¹ Order Issuing Original License, 144 FERC ¶ 62,089.

² Order Amending License, Approving Temporary Penstock Access Route Plan, and Deleting Article 415, 145 FERC ¶ 62,124 (Issued November 20, 2013).

while improving project economics. Therefore, the licensee now proposes to install a single 6.5-MW Pelton turbine/generator unit. The unit would have a maximum hydraulic capacity of 80 cubic feet per second, identical to the combined maximum hydraulic capacity of the two units originally envisioned. The change in the number of units would allow the licensee to decrease the size of the powerhouse, reducing it to a structure 65 feet long, 55 feet wide, and 48 feet high. The licensee also proposes to construct the tailrace on the north side of the powerhouse, rather than the west side, reducing its length from 120 feet to 70.5 feet. The proposed tailrace would continue to return flow to Allison Creek upstream of a natural anadromous fish passage barrier.

4. The licensee also proposes to modify the voltage and route of the project transmission line. The line would continue to be 3.8 miles long; however, it would be energized to 25 kV and would follow a utility easement along a section boundary to the south of the original route. The line would interconnect at the same location as previously proposed. The revised route would generally be located on land owned by the State of Alaska but an approximately 400 foot long section would occupy land owned by a pipeline partnership.

Pre-Filing Consultation

5. Prior to filing its application with the Commission, the licensee consulted with the Alaska State Historic Preservation Officer (Alaska SHPO), the National Marine Fisheries Service (NMFS) and the Alaska Department of Fish and Game (Alaska DFG). The licensee provided a copy of its proposal to the U.S. Fish and Wildlife Service, but the agency informed the licensee that it lacked sufficient resources to evaluate the proposal, and therefore, did not object to the amendment. On May 8, 2013, the SHPO concurred that no historic properties would be affected. On April 3, 2014, NMFS replied by email and stated that the proposed license amendment does not pose any risk to salmon or other aquatic resources. The NMFS also pointed out that the new transmission line route reduces the possibility of some sensitive wetland impacts. The NMFS had no objections to the proposed amendment.

6. Alaska DFG commented in its email dated April 3, 2014, that it had no objection to the amendment and specifically stated it had no concerns with the new alignment of the transmission line or with the change in the footprint and location of the powerhouse. However, the Alaska DFG requested the single generator powerhouse be designed with a generator water bypass system to instantaneously maintain flow in the downstream reach in the event of a project shutdown. This would allow for bypass reach ramping and reduce effects on fish in the downstream reach, if the penstock must also be dewatered.

Public Notice

7. On May 1, 2014, the Commission issued a public notice that the amendment application was accepted for filing and soliciting comments, motions to intervene, and

protests. On May 29, 2014, the U.S. Department of the Interior (Interior) filed comments pursuant to the public notice. In its letter, Interior expressed concerns about the licensee's lack of analysis in support of its license amendment application with regard to potential recreation and aesthetic impacts associated with the new routing of the transmission line. Because the new route is a significant change from the route analyzed in the June 21, 2013 environmental assessment (EA) prepared by Commission staff while reviewing the license application for the project, Interior recommends that the Commission scope, study, and analyze potential effects related to the proposed route. Interior also recommends that the license to consider these potential effects. Interior also stated in its letter that it had no comments on the proposed changes to the powerhouse and the tailrace.

8. In a letter dated June 3, 2014, the licensee responded to Interior's comments on the revised transmission line route and provided an expanded explanation of the aesthetic and recreational effects of the proposed route.

Administrative Conditions

A. **Project Description**

9. The licensee submitted, with its April 14, 2014 amendment application, a revised Exhibit A that describes the modification to the design of the powerhouse, tailrace, and transmission line. The licensee's revised Exhibit A conforms to the Commission's regulations and is approved in ordering paragraph (C), superseding the existing Exhibit A.

B. Exhibit Drawings

10. The licensee filed four revised Exhibit F drawings and five revised Exhibit G drawings with its application. We have reviewed the drawings and found that they conform to the Commission's rules and regulations and are approved in this order. Ordering paragraph (D) approves the nine drawings and the licensee is required to file them in electronic format as shown in ordering paragraph (E).

C. Construction Related Articles

11. The obligations set forth under the license articles, including the requirements that the licensee file plans and specifications with the Commission's Division of Dam Safety and Inspections (D2SI) – Portland Regional Engineer, are applicable to this amendment. The licensee may not begin construction until the D2SI – Portland Regional Engineer has reviewed and commented on the plans and specifications, determined that all preconstruction requirements have been satisfied, and authorizes start of construction.

Environmental Analysis

12. Concurrent with this order, Commission staff is issuing a supplemental EA to analyze the environmental impacts of the licensee's amendment request which relies, in part, on the EA that was issued by Commission staff on November 20, 2013 to support a previous amendment request that was filed by the licensee on September 27, 2013. Only the environmental impacts of the changes to the powerhouse, tailrace, and transmission line were considered in the supplemental EA.

A. Powerhouse and Tailrace

13. The environmental impacts of the powerhouse would be essentially the same as those considered during the preparation of the June 21, 2013, EA to support the license. Construction would essentially occur in the same location but the footprint of the new powerhouse would be slightly smaller than the powerhouse originally licensed. The new tailrace would also be about 45.5 feet shorter than the currently licensed tailrace, but it would also be constructed with a higher grade.

14. In, its comments, Alaska DFG requested the single generator powerhouse be designed with a generator water bypass system to instantaneously maintain flow in the downstream reach in the event of a project shutdown. The Alaska DFG made a similar 10(j) request during licensing. In the license order, the Commission concluded that the constant delivery of minimum flows at the project's diversion, required by license Article 403, would provide a stable amount of flow to protect fishery resources downstream of the powerhouse. Therefore, an additional failsafe provision for the powerhouse was not needed. Since there are no changes in this amendment that would alter this determination, we have not incorporated this recommendation. The licensee is still required to comply with Article 403, which should provide adequate protection for downstream fisheries.

B. Transmission Line

15. The project would be located in a scenic, largely undeveloped area above the south shore of Port Valdez and at the base of the Chugach Mountains. The dramatic natural landscape provides an important scenic backdrop to the Valdez community, and is integral to the multiple recreation and tourism activities occurring in the region, such as boating, fishing, camping, and sightseeing. The project area is most visible from Port Valdez, the city of Valdez, a portion of the Richardson Highway (a designated scenic byway), and from the Solomon Gulch Trail.

16. We've reviewed Commission staff's original EA issued June 21, 2011, for this project and staff's EA issued November 20, 2013 for the licensee's previous amendment application. We've also reviewed the Recreation and Aesthetic Resources report that was included in Volume III of the original license application filed on August 25, 2011,

Interior's comments and the licensee's response to those comments. We agree with the licensee that the proposed new transmission line would have similar aesthetic and recreation effects as the licensed line. From key viewpoints, the proposed new line would be difficult to see, similar to the licensed line, and routing the line away from a one-mile stretch of the Solomon Gulch trail could improve aesthetics. We disagree with Interior that additional scoping and studies are warranted for the licensee's proposed changes. We recommend approving the licensee's proposed new transmission line with existing mitigation measures already required by the license.

17. The environmental effects of construction and operation of the amended powerhouse and tailrace are not significantly different from those that were already considered and approved in the project license. In addition, the proposed transmission line route would not result in any significant changes in recreation or aesthetics from the route that was previously studied and licensed. Implementation of environmental measures already required by the project license would minimize or avoid identified impacts.

18. In our supplemental EA Commission staff determined that the approval of the proposed amendment to the Allison Creek Hydroelectric Project would not constitute a major federal action significantly affecting the quality of the human environment.

Conclusion

19. We have reviewed the licensee's application to amend its license in order to change the number of generating units, modify the design of the powerhouse and tailrace, and revise the transmission line route and voltage at the unconstructed project. We conclude that the licensee's proposal would help reduce the cost and difficulty of project construction while adequately protecting wildlife and aesthetic resources. Therefore, the amendment application will be approved, as considered herein.

The Director orders:

(A) Copper Valley Electric Association, Inc.'s request for amendment of license for the Allison Creek Project No. 13124, filed April 14, 2014, is approved as provided by this order, effective the day this order is issued.

(B) Ordering paragraph (B)(2) of the license for the Allison Creek Project is revised, in part, to read as follows:

(2) Project works consisting of:...(e) a 55-foot-wide, 65-foot-long, 48-foothigh powerhouse containing one horizontal Pelton turbine/generator unit with a total installed capacity of 6.5 megawatts; (f) a 70.5-foot-long tailrace extending from the north side of the powerhouse to Allison Creek via a concrete channel and

the existing creek bed; (g) a 550-foot-long, 24-foot-wide permanent access road to the powerhouse; (h) a parking area; (i) a transformer located in a switchyard adjacent to the parking area; (j) a 3.8-mile-long, 25 kilovolt transmission line connecting to an existing substation; and...

(C) The Exhibit A, filed on April 14, 2014, for the Allison Creek Project, superseding the previous Exhibit A, is approved and made part of the license.

(D) The following exhibit drawings filed on April 14, 2014, for the Allison Creek Project conform to the Commission's rules and regulations, and are approved and made part of the license, as labeled and numbered below. The superseded drawings are deleted from the license.

EXHIBIT	FERC DRAWING No.	SUPERSEDED FERC DRAWING No.	FERC DRAWING TITLE
F-1	13124-19	13124-15	Project Site Plan
F-8	13124-20	13124-8	Powerhouse Site Plan
F-9	13124-21	13124-9	Powerhouse General Arrangement
F-10	13124-22	13124-10	Transmission Structure
G-1	13124-23	13124-11	Project Vicinity Map
G-2	13124-24	13124-12	Project Boundary
G-3	13124-25	13124-13	Project Boundary
G-4	13124-26	13124-14	Project Boundary
G-5	13124-27		Project Boundary

(E) Within 45 days of the date of issuance of this order, as directed below, the licensee shall file the approved exhibit drawings in electronic file format on compact disc.

Digital images of the approved exhibit drawings shall be prepared in electronic format. Prior to preparing each digital image, the FERC Project-Drawing Number (i.e., P-13124-19, etc.) shall be shown in the margin below the title block of the approved drawing. Exhibit F drawings must be identified as **Critical Energy Infrastructure Information (CEII) material under 18 CFR §388.113(c).** Each drawing must be a separate electronic file, and the file name shall include: FERC Project-Drawing Number, FERC Exhibit, Drawing Title, date of this order, and file extension in the following format [P-13124-19, F-1, Project Site Plan, MM-DD-YYYY.TIF].

All digital images of the exhibit drawings shall meet the following format specification:

IMAGERY - black & white raster file FILE TYPE – Tagged Image File Format, (TIFF) CCITT Group 4 RESOLUTION – 300 dpi desired, (200 dpi min) DRAWING SIZE FORMAT – 24" x 36" (min), 28" x 40" (max) FILE SIZE – less than 1 MB desired

Two sets of electronic drawings on compact discs shall be filed with the Secretary of the Commission, ATTN: OEP/DHAC.

Each Exhibit G drawing that includes the project boundary must contain a <u>minimum</u> of three known reference points (i.e., latitude and longitude coordinates, or state plane coordinates). The points must be arranged in a triangular format for GIS georeferencing the project boundary drawing to the polygon data, and must be based on a standard map coordinate system. The spatial reference for the drawing (i.e., map projection, map datum, and units of measurement) must be identified on the drawing and each reference point must be labeled. In addition, each project boundary drawing must be stamped by a registered land surveyor.

The licensee shall file two separate sets of the project boundary data in a georeferenced electronic file format (such as ArcView shape files, GeoMedia files, MapInfo files, or a similar GIS format) with the Secretary of the Commission, ATTN: OEP/DHAC. The filing shall include both polygon data and all reference points shown on the individual project boundary drawings. An electronic boundary polygon data file is required for each project development. Depending on the electronic file format, the polygon and point data can be included in single files with multiple layers. The georeferenced electronic boundary data file must be positionally accurate to ± 40 feet in order to comply with National Map Accuracy Standards for maps at a 1:24,000 scale. The file name(s) shall include: FERC Project Number, data description, date of this order, and file extension in the following format [P-13124, boundary polygon/or point data, MM-DD-YYYY.SHP]. The filing must be accompanied by a separate text file describing the spatial reference for the georeferenced data: map projection used (i.e., UTM, State Plane, Decimal Degrees, etc), the map datum (i.e., North American 27, North American 83, etc.), and the units of measurement (i.e., feet, meters, miles, etc.). The text file name shall include: FERC Project Number, data description, date of this order, and file extension in the following format [P-13124, project boundary metadata, MM-DD-YYYY.TXT].

(F) This order constitutes final agency action. Any party may file a request for rehearing of this order within 30 days from the date of its issuance, as provided in section 313(a) of the Federal Power Act, 16 U.S.C. § 825*l* (2012), and the Commission's regulations at 18 C.F.R. § 385.713 (2013). The filing of a request for rehearing does not operate as a stay of the effective date of this order, or of any other date specified in this order. The licensee's failure to file a request for rehearing shall constitute acceptance of this order.

Steve Hocking Chief, Environmental Review Branch Division of Hydropower Administration and Compliance

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Document Content(s)
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