BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

- - - - - - - - - - x

BRASSUA PROJECT : Project Number

: P-2615-035

- - - - - - - - - - x

Holiday Inn, York Room

110 Community Drive

Augusta, Maine

Thursday, June 28, 2007

The above-entitled matter came on for scoping meeting, pursuant to notice, at 12:15 p.m.

BEFORE:

JOHN COSTELLO, FERC

P R O C E E D I N G S

12:15 p.m.

MR. COSTELLO: It's 12:15, so I guess we might as well go ahead and get started. First, I'd like to welcome you all to the Federal Energy Regulatory Commission's public scoping meeting for the licensing for the proposed Brassua Project.

My name is John Costello, the FERC coordinator for the project. The other Commission staff working on this project are Annie Blanchard, an attorney with OGC, and John Smith is doing aquatic resources.

Michael Watts is the civil engineer. Christian Murphy, who is not with us today, will do terrestrial resources and endangered species, as well as recreation and land use. That only leaves me with soils and cultural resources.

Today, also representing the licensee, is Frank Dunlap of FDL Energy Maine Hydro, and maybe Frank would like a little -- if you could introduce some of the other members representing -- you can do it now or later on, if you want to do your little talk.

MR. DUNLAP: Go ahead and finish your introduction.

MR. COSTELLO: Okay, sure. Next slide, please. Here is the agenda for the scoping meeting, so that you know

what to expect, and I will start off with some introductory remarks and review the milestone of the licensing process, and explain the purpose of scoping.

Then Frank will give you a brief overview of the proposed project. We will then follow up with describing the proposed project facilities and operation.

I will follow with identifying environmental issues, after which Frank will identify the proposed studies, as stated in the pre-application document.

John Smith will then discuss the criteria for requesting studies and explaining some key dates during the study plan development.

During the presentation, we will periodically ask if anyone has any comments or questions about the information presented, and also at the end of our presentation, we will also ask if anyone has any comments or questions before adjourning the meeting.

Next slide, please. First, I hope everyone has a copy of the scoping document, and the expanded flow chart for the Commission's licensing process. If not, there's several copies on the table for future reference.

For those wishing to speak, we have a court reporter here to transcribe today's meeting, because it will be serving as part of the Commission's record.

While we want to keep things as informal as

possible, we ask that you state your name and affiliation before commenting, so that our reporter can accurately attribute the comments to you.

Also, if anyone wishes -- we have a pass around microphone, so when you do speak, if you would wait for that to come to you, so that we get some clear pickups for the reporter.

If anyone wishes to file written comments, the mailing address is on page 18 of the scoping document, and you can also file comments electronically. Instructions for filing written comments and the electronic filing are found in the same location.

Finally, for those of you who wish to be on FERC's official meeting list, this is important. We distributed the scoping document to everyone on the first mailing list, and the Brassua distribution list. However, future mailing lists from FERC will only include those entities on the official mailing list.

So please check the list at the back of the scoping document, and if your name and address is not there, or if it's incorrect, and you want to be added, please follow the instructions on page 18.

Okay. At this point, we'd like to have John give a brief description of the innovative licensing process.

MR. SMITH: Also known as the ILP. We had the

NOI and PAD filed on -- sorry, John Smith. We had the NOI and PAD filed on March 29th of this year. We're right in scoping, scoping out the issues and determining what studies are needed.

The PAD includes a process plan listing all of the dates and who's responsible for what. Over the next year, we'll pretty much be determining what studies are needed and developing a study plan, and then FERC will issue a study plan determination at the end of that particular part of the process.

Following the study plan determination, the studies will commence for one or two years. At least one year of studies is contemplated under the ILP and then the stakeholders will get together and determine whether a second year is necessary.

Following the studies, an application is filed, and if the application is found adequate, we would issue a Ready for EA Notice, which would trigger the terms and conditions from the agencies, any other comments, and a request for a 401 certification.

Following receipt of those comments, the Commission staff would prepare either an EA or an EIS. In this case, we're proposing to do a single EA. If it turns out that there's a lot of issues that we need, or a lot of comments filed on the EA, we would consider doing a final

EA.

After that, hopefully shortly after that, we would be in a position to issue a Commission order on the licensing decision. Now there's a flow chart. I encourage you to pick up the flow chart. It's got a lot more boxes than what's shown there.

If there's any questions on the process, we'll be happy to answer them.

MR. COSTELLO: Also on the table, there's a document that we recently -- excuse me. John Costello with the FERC.

Also on the table is a document that we recently put together, providing some hints on how to participate. It was put together with the assistance of what we call the Pioneers. I think it's the original five or six licensees that helped get started with their licensing process using the ILP procedure.

It's got some pretty good information in it. So I encourage you all to pick it up and at least read through it. Okay.

Under the Federal Power Act, FERC has a responsibility to issue licenses for non-federal hydroelectric projects. You can read more about this on our website at www.ferc.gov.

The National Environmental Policy Act requires

the disclosure of the environmental effects of FERC's licensing actions, and in the case of the Brassua Project, we are proposing to do an analysis and an environmental assessment.

The scoping document issued in May includes a brief description of the existing project facility, a preliminary list of resource issues, and describes the study proposed by the licensees. The scoping document also describes the types of information that we are seeking as part of scoping, and pre-planning schedule. That's all for MFNSB, and a proposed outline and time line for the EA.

So the main purpose for our meeting, of which we're here this afternoon, is to solicit comments and input from the public and interested non-governmental organizations, federal, state and local agencies about issues that need to be considered or not considered in an EA.

Specifically, we want to talk to you about the issues we have identified, make sure we understand the issues you've raised, and ensure that we do not omit any issues that should be included and further refine or eliminate any identified issues where needed.

We also want to talk about what information will be needed to address the issue, and finally we want to review, discuss and finalize the process plan and schedule

for pre-planning activity.

At this time, we'll call on Frank Dunlap to talk about the project. Start with the project location.

MR. DUNLAP: Good afternoon. My name is Frank Dunlap. Most of the folks here at the hearing know each other, but for the record we'll go through a round of introductions. I'll be acting as the licensing coordinator for the licensees on the Brassua licensing.

Also here is Bill Hanson, senior biologist for FPL Energy; Sarah Tomalty, counsel for FPL Energy out of Washington, D.C., and Wes Hallowell, who is the Kennebec Water Power river engineer. Wes will be describing some of the operations for us this afternoon. Also here as a licensee is Chris Dean, from Madison Power.

In general, or broadly speaking, the Brassua Project is licensed to several entities, including FPL Energy, Madison Power Industries, and Merimil Limited Partnership. Meramil is owner of the Lockwood Project, that most folks are familiar with. FPL is 50 percent owner of Merimil, and a general partner there.

FPL Energy owns about 70 percent of the project in round numbers. Madison, I believe, is about 17 percent or so -- is that right Chris -- and Merimil owning the remainder.

Also, as a co-licensee, not represented here

today but co-licensee is the Brassua Hydroelectric Limited Partnership. They own the power house at Brassua, but none of the lands or the site. They lease the site. That lease runs through 2012, at which point that will terminate and the power house will likely revert to the other existing owners.

So the licensees going forward will be Madison, FPL and Merimil.

The interest of the owners for Brassua is as an operating storage facility primarily, along with the generation. So our major interests and concerns there are both flood control and managing the lake for generation, as well as for downstream generation. It's one of the three storage projects on the Upper Kennebec, the other two being Flagstaff and Moosehead Lake.

But as we work through those interests, generation of flood control, loss of looking at the balance as we all need to, the interest of the natural resources and environmental concerns at the project, which is a large part of what we're looking at today, is an introduction to the study, needs and interests of the resource groups, and what we'll be looking forward to as studies on this project.

So with that, I think that's the introductory remarks. If anybody has any questions on that, the licensees, ownership or anything, we could entertain that

now. Fred?

MR. SEAVEY: Fred Seavey, U.S. Fish and Wildlife Service. I was just wondering, in terms of the interest on flood control, whether that has to do with downstream facilities that are owned by either FPL or Madison Paper, or some other interest.

MR. DUNLAP: The flood control, and Wes can expound on this a little bit as we get into the operations and so on, the upper storages serve as flood control facilities, if you will.

They're not constructed as flood control per se. They were constructed either for log storage and timber management, and then further developed for hydroelectric storage and hydropower storage.

But they also serve as flood control facilities for the whole of the Kennebec, such that when the three ponds are down in the late winter and early spring, they then have the capacity to catch the spring rains and the snow melt, and hold that back from the main river, so that the downstream industries and municipalities are all protected. So there's an element of flood control in that, Fred.

MR. SEAVEY: Fred Seavey again. I was wondering if there was a liability that the Brassua partners are obligated underneath that for flood control?

MR. DUNLAP: No, there's not. Again, this is a general benefit of the facilities, but it's not operated, for instance, as the western Army Corps flood control facilities would be, with a mandate to manage those levels. This is an added benefit to these facilities here. Dana?

MR. MURCH: Dana Murch, Maine DEP. I see that Scott Paper was previously listed as a co-licensee, and you didn't name them in your future list of licensees. So what happened to them?

MR. BEAN: Dana, Christopher Bean, Madison Paper. Madison Paper acquired the Scott interest back in 1999, I believe, from Kimberly-Clark. So we have their shares now.

MR. DUNLAP: Any other questions on those topics?

(No response.)

MR. COSTELLO: Move to the next slide, Frank, or do you want to --

MR. DUNLAP: We'll address the location. Several of us were able to visit the site yesterday. The Brassua Project is located on the Moose River, which is the headwater or tributary, however you want to describe it, of Moosehead Lake.

The Moose River flows down out of Addian Pond and Long Pond, and the facility again was originally a lake, Brassua Lake. That was enlarged by creating the hydropower

dam into the present-day Brassua Lake.

Again, it serves as the headwaters to Moosehead, and Moosehead and Flagstaff and Moxie Stream all feed the Kennebec River. Go on to the next slide.

Project facilities consist of a dam with two earth lakes, with concrete core walls, and a concrete spillway section in the center, with a number of gates that we can manage water flows with. It also includes the power house, with an approximately 4.2 megawatt unit in it, a single horizontal unit.

The ownership of the lands around the lake are for a short distance from the lake, in the control of the owners of Brassua. Those are the individual entities that I described before, being Madison, Merimil and FPL Energy, collectively known as the owners of Brassua. That is not a formal entity but the general description of the owners and co-licensees.

We own for two feet in elevation above the full pond line, around the entire perimeter of the lake including the islands. A large portion of the lands behind licensees' lands is owned by either John Willard and Tomhegan Township or Plumb Creek Timberlands for the remainder of the lake perimeter.

Go on to the next slide.

MR. COSTELLO: Excuse me, Frank. John Costello.

Do any of the licensees own any land downstream from the dam?

MR. DUNLAP: The project properties include lands for approximately 700 feet downstream of the dam, a fairly small acreage included within the project boundary. But the dam owner's house, the power house that you saw yesterday, and down to approximately the first bend in the river are included in the project boundary, yes.

MR. COSTELLO: Approximately how far from the high water, up from the land?

MR. DUNLAP: The downstream lands are by leaps and bounds, and I don't have that figure right in front of me. There's a number of acres in the tens of acres downstream of the project that are within the project boundary.

But it's not to an elevation, as it is upstream. It's included on the Exhibit G maps that we included in the pre-application document.

MR. SMITH: John Smith. Does it include that little fishing access trail, or is that trail outside the project boundary?

MR. DUNLAP: That isn't in the project.

MR. SMITH: Okay.

MR. DUNLAP: Next slide in the FERC presentation here is the Brassua. If you'd go back to that one, Annie?

Thank you.

The lake level plots for a period of approximately 16 years, and Wes Hallowell will describe the general operation of the project, including lake levels and minimum flows.

MR. HALLOWELL: Wes Hallowell, Kennebec Water Power Company and FPL Energy, river engineer, responsible for the water management. I'll give you a brief description up front of the operating arrangements bestrewn the different companies.

Kennebec Water Power Company is chartered and has the authority and responsibility to manage the three storage reservoirs for the mutual benefit of the downstream users, head water benefactors.

They have contracted with FPL Energy to provide the day to day Operations of those facilities, and they retain the water management authority and the budgetary responsibility.

Consequently, I work for FPL Energy, but in essence am contracted back to provide those services to Kennebec Water Power Company. So hopefully that will describe the relationship there.

So the three storage reservoirs are operated jointly and in concert, to provide a target flow at Madison, Maine, given normal weather conditions and water is released

out of those storages, based on their relative fullness and capacity to make that flow at Madison.

Brassua is the smallest of three reservoirs, at about nine billion cubic feet of storage. It feeds directly into Moosehead Lake down the Moose River, and through Rockwood. Moosehead is the largest facility at about 23 and a half billion cubic feet.

Releases through the east and west outlets down into the Kennebec River, and Flagstaff comes along from the other side in the middle at about 12 billion cubic feet, and comes through the Dead River and joins the Kennebec at the forks, somewhat above Madison.

Interestingly enough though, Brassua is the smallest lake. It has the largest watershed behind it, at about 716 square miles. Moosehead is supported by about 552 square miles, and Flagstaff by 516 square miles.

The water comes basically from the west, from the Canadian border, down through the lakes Frank described in the Moose River to Brassua, and then feeds into Moosehead.

So to describe an annual cycle, if you started at approximately June 1st, full or near-full condition with Brassua. We try to keep it feeding into Moosehead to support all the users downstream, and keep it within about three feet of full through the summer months, based on weather conditions and precipitation and so forth.

Around September 15th, we're at a target elevation, where we establish a fish spawning attraction flow as part of our license agreement with U.S. Fish and Wildlife and IF&W, of between 800 and 1,200 CFS, and we consult with the people in the field from those agencies to determine that flow, somewhere in that range, and then try to keep it steady through that period. That's the intent or the desire.

Should weather conditions dictate that we have to change that flow, consult with them again, agree on a new flow and go from there. On October 15th, we reduced the flow through the dam to essentially minimum flow, a little cushion so we don't violate the license conditions.

Then we leave that study until November 5th, for spawning conditions themselves for the fish. After that, we program from about mid-December on is the hard freeze, when most of the precipitation falls as snow and is stored.

We go out periodically through the winter and monitor the snow pack and the water content of the snow pack, draw the lake accordingly to try to be able to retain as much of that water at the spring refill as we can between Brassua and Moosehead.

The spring refill typically starts about March 25th, although it can be tremendously variable from year to year. Brassua, with that huge watershed relatively behind

it, fills fairly easily. So we play the flow out of Brassua as we're in that fill cycle, to keep from causing extreme flows in the Moose River down through Rockwood.

Put that water into Moosehead as best we can, so that we top out at Brassua somewhere between a foot and six inches down, leaving a little freeboard for spring rains and unusual weather conditions, and then start through the summer cycle again.

That in a nutshell, I guess, is the intended operation of the facility.

We typically draw it down 20 to 24 feet by the start of the spring refill, with anywhere near a normal snow pack and normal expected spring rains. That gives us a good margin for a refill.

We typically, as I said, have the three foot drawdown by the end of the summer and then get somewhat of a partial refill with late fall rains, November, early December rains, and then run that through the window.

You know, one thing I might mention is that the power unit is a strictly leased facility, and this is operated basically as a storage facility. We decide what flows we want into Moosehead Lake and to support the flows down river. Then the generating facility has access to that water for their use, as much as they can use or want to use through their facility.

They can use up to about 1,865 CFS at full pawn and full production, and if we're setting the flow, as we were today at 979 CFS, that's what we want for storage purpose release, and that goes through their unit. If it goes above 1,860, we release it through the other gates. Questions?

MR. MURCH: Dana Murch, Maine DEP. Wes, what is the flow that you target at Madison?

MR. HALLOWELL: Actually, that's reviewed periodically, based on the amount of water and storage, weather conditions, projected weather conditions for the time of year. I report to and advise conditions to an engineering advisory Committee, which is Kennebec Water Power Company, made up of the downstream benefactors.

They will set that targeted flow, based on usually a six to eight week projected outlook, and then change it as conditions don't come in as expected.

MR. MURCH: And what's the minimum flow from the Brassua Project?

MR. HALLOWELL: Wes Hallowell again. Depends on the time of year and it's like --

MR. MURCH: What's the inflow?

MR. HALLOWELL: 212 for inflow, I believe, something along that neighborhood. We almost never get there, so I don't use it much. It's all inflow is the basic

bottom of it.

MR. MURCH: The reason I ask is that it's a little confusing to me, from reading the PAD, what the lowest minimum flow was. I thought I read that it was 250, Without reference to a lower minimum.

But it wasn't abundantly clear to me whether it's 250 flat or 250 for inflow, whichever's less.

MR. HALLOWELL: That's 250 or inflow, whichever is less.

MR. HANSON: Bill Hanson, FPL. I think it's that the way it is stated, I'm not sure if that's what you meant. It's 250 or inflow, whichever is greater. So through the technical slide, 250 is the floor.

MR. DUNLAP: The minimum flows were laid out in a number of the license articles, and summarized in the scoping document, page 11. It's not an easy pattern to follow, Dana, at all on this one, because of the attraction flows for salmon fish in the fall. But again, it's seasonal, and there's several steps, and I won't try to describe them all. But several steps, including the 250 at 358 and a 425 CFS or inflow.

So it's in essence a set flow or greater, if there's inflow above that. So it's a 250 -- for instance, the lower that you have is 250 or CFS or inflow, whichever is greater. So it can bottom out at some seasons, primarily

in the May-September period, at 250 CFS.

MR. SEAVEY: Fred Seavey, U.S. Fish and Wildlife. Could you give me a sense of what, I mean a range at Madison, what targets you are going for? You said they were projected between a six to eight week period, and I just wanted to get a sense of what that range might be?

MR. HALLOWELL: Well Hallowell again. It varies greatly obviously, but historically in a dry summer it will go from a 1,600 CFS to 1,800 CFS, to an upwards desirable target if around 6,000 CFS, which is at or around the wheel capacity of several of the units on the river.

(Simultaneous discussion.)

MR. HALLOWELL: And then -- in Madison, including Madison. At Madison, yes, at Madison. Then obviously, with uncontrolled streams and watershed coming in above Madison and below the forks, it goes upwards to 287,000 or something in the flood of '87. But basically 1,600 to 6,000 would be the desirable targets.

MR. MURCH: Dana Murch, Maine DEP. I'm assuming it's FPL that's going to own and operate the powerhouse after the current lease expires?

MR. DUNLAP: FPL or the partners.

MR. MURCH: FPL or the partners was the answer. Do you expect the operation of the project to change when the partners own and operate that generating station, and if

so, how?

MR. DUNLAP: At this point, we fully anticipate that, Dana, that that would change. We don't have plans or proposals for that, no.

MR. MURCH: Dana Murch again. I don't doubt you when you say that, but the current situation is one in which for storage purposes, if you wanted to release more than the turbine capacity at that generating station, you do.

That's fine with you and the generator, owner of the generating station uses what flow they can, and the rest is -- from their standpoint, the rest of the water is wasted.

I'm assuming there would be greater pressure on the owners to generate more power with the water that's available. That's why I asked the question, if your project operation will change.

MR. DUNLAP: It's a fairly speculative question, Dana. I'm sure I can't do entire justice on that. Obviously, as the partners and ownership and co-licensees own that, it will be coordinated even closer with the rest of the operations of the downstream.

What that does for day to day, I think, would maintain still within the license conditions that we have. But we're not -- the answer is we're not planning on changing the fundamental operation of the project, as far as

the pattern of annual drawdowns, the general extent of those drawdowns or minimal flows.

Certainly, the day to day will be coordinated even closer with the generation of downstream, I'm sure.

MR. MURCH: Dana Murch again. The last question. The chart that's on the board, Brassua Lake elevation, goes from 1990 to 2006. Why only 1990 when the project has existed significantly longer than that, and does this project operate to a rule curve?

MR. DUNLAP: Wes can address the rule curve question further. Is it tied to absolutely targeting the dates of historic operation? No. That graph illustrates the pattern of operation over the years, within the license conditions.

The reason for the dates on that, Dana, is that the generating facility started operation in late '89 or early '90, and so we took those water years to reflect that the generation, with any changes that may have taken -- the operation, with any changes that may have taken place with a new generating facility.

Yes, and that is -- Wes reminds me that's in accordance with the amendment to the license that was issued by FERC for the installation of the generating facility, and subsequent studies thereafter, which established the downstream flow regime for salmodid enhancements, etcetera.

So that's why we have the other historic data for the pawn levels. Dana, you're welcome to look at it if you'd like to at some time. But that's the reason we use this period of record.

MR. HALLOWELL: Wes Hallowell again, no. It's not operated to a rule curve. We try to stay and return to that long term average -- this relatively long term average curve, given the different license constraints that we have in operating the facility.

MR. DUNLAP: If there's no further questions on the operations, Annie, if you would return to the cover? Dana's got more questions.

MR. MURCH: This is Dana Murch from the DEP again. In the PAD, Figure 4.4-2, is a graph of Brassua Storage Reservoir Maximum Annual Drawdown, 1951 to 2006.

There are several things here that aren't clear to me. First, if you read the FERC license, the license clearly says the maximum allowable drawdown is 31 feet.

Yet this table says maximum allowable drawdown is 40 feet, and in fact shows historically many drawdowns in excess of 30 feet. I'm just wondering why the discrepancy?

MR. DUNLAP: Most of that is back to your question on period of record, Dana. The period of record for the graph, the bar chart if you will, that you reference is to 1951.

This was initially put together for different purposes, but without the illustrative for the licensee, to see how frequently the pawn reached certain conditions. So without double-checking the license limit that you cited, this does include pre-license operating conditions.

The maximum allowable that you see on this particular chart is more the physical capability of the pawn to be drawn that far.

Then the bar charts that you -- the bars that you see, states a number of times that the pawn has been drawn down between or less than ten feet, between 10 and 20 feet, between 20 and 30 feet, and greater than 30 feet, and illustrates the long-term operation of the project in that way.

So the pawn has been, since that period, since 1950, has been down greater than 30 feet, for instance, 25 times, between 20 and 30 feet 23 times, representing for that period of record about 40 percent of the annual occurrences.

MR. MURCH: Dana Murch, Maine DEP again. What is the maximum drawdown that the owners are seeking in the new license? Let me explain the reason I asked the question.

The current license clearly says 31 feet. It's not clear from this chart whether that's how the project has been operated in the past, or how you plan to operate it in

the future.

MR. DUNLAP: We've been operating within those license conditions, and are not proposing to reduce the level of that allowable draw, if you will, from the 31 foot allowable.

MR. MURCH: Dana Murch again. So this chart, when it says maximum draw 40 feet, would not accurately reflect future operations?

MR. DUNLAP: Again, without going back and double-checking the limit that you cite, that would -- you're right. The chart would include on page 49, Figure 4.4-2, I guess that would include historic operations and not necessarily be the absolute number that you would see in the future.

That's correct. That would be within the current limits. Dana indicates he doesn't have any further questions on that topic. Steve Timpano.

MR. TIMPANO: Steve Timpano, Maine Department of Inland Fisheries and Wildlife. I guess, Frank, if I could get just one clarification on the project boundaries description again.

I think you indicated that it -- is it fee ownership to two feet above which elevation? The normal, high water or --

MR. DUNLAP: The answer, Steve, is we own fee

ownership. We, the joint licensees have fee ownership around the entirety of the impoundment.

That is -- that land was bought prior to construction. So that includes lands that have been flooded by the dam, up to Elevation 1,076. Full pawn is 1,074, and our fee ownership is up to 1,076, around the perimeter of the impoundment again.

It's a slightly different downstream porch for a couple of acres. But for the impoundment, it's two feet above full pawn, normal full pawn if you will. It's 1,076.

MR. COSTELLO: Excuse me, Frank. John Costello. Above the 1,076, do you have a flowage easements?

MR. DUNLAP: No, no. That's pretty much the entirety of the ownership, or all the ownership within the project boundary is fee, and we don't have a fee or flowage rights around the perimeter in general beyond that, as far as project operations and project lands.

MR. TIMPANO: Maybe I should follow up on -- oh, Steve Timpano again -- follow-up on that, I guess. Has there ever been any attempt to actually locate that 1,076 elevation on the ground, i.e., what width of strip that includes as far as upland or adjacent wetland areas?

MR. DUNLAP: Steve asked if we've mapped that or flagged it, I guess. It's almost two different questions. I'm not aware that that has been flagged in the field, but

we flew that pawn the winter before this Steve, and have mapped that, the contours for four to six feet above full pawn.

So we do have mapping of the extent of that ownership. So if you were to look at that, and I don't have it here with me today, but that would show the extent of dry land, if you will, or wetlands associated with the project boundary.

In general, it's a fairly narrow perimeter. Even in the lower wetland areas, it's a fairly narrow area. On the site visit yesterday, we visited several wetlands that are within the project boundary, including a couple of floating peat bogs and so on. But it's a fairly narrow perimeter.

The next slide that you had, FERC had on the PowerPoint presentation was project components. If you go back to the photo, the cover photo if you could Annie?

We touched upon this description briefly, but for those who weren't able to make the site visit yesterday, and I was told it was fairly dark, this is Brassua Lake.

About 9,700 acres being fed primarily by the Moose River to the west, and flowing through Little Brassua Lake and Brassua Lake to the dam, down here in the lower sector of the photo.

To the left, looking -- this is an aerial view

for the record, an aerial view of the dam, showing some of the lake behind it. To the left is the damkeeper's house. The center is the power house with the single unit, with a 4.18 megawatt rated capacity.

The center section is the concrete section with the number of gauges, eight or ten gauge -- I forget the exact number right now. On the right hand side of the concrete section is an old fishway that we viewed yesterday and discussed briefly.

The inland fisheries and wildlife biologists indicated that her preference, that that doesn't operate at this point. So we don't get bass, which had been identified in Moosehead Lake and the lower Moose River, to exclude bass from the upper watershed.

There's been some potential reports of bass in the upper watershed and not -- I don't believe that those have been confirmed yet, but we want to prevent that. So that fishway is inactive basically.

We have, as one of the items being discussed during licensing, whether there is a need or desire to have any fish passage facilities included. Then on either end of the concrete section are earth embankments, with concrete core walls.

These are topped by a paved access road and so-called jersey barriers, which are wave barriers for extreme

floods. So that's a view of the project facilities. The downstream section of the project boundary extends about two or three times the length of what is shown on the photo here, and includes these islands and several good fishing areas.

John had asked about the fishing trail earlier in this afternoon's meeting. That comes from the parking lot by the damkeeper's garage. It comes around that facility and down to the embankment below the power house, as a favored fishing area.

That should cover the basics of the project components, unless anybody has any questions there. John, I'll turn it back over to you for any thoughts that you had on issue identified by the Commission.

MR. COSTELLO: Okay. Any other questions for Frank at this time? We can always have time later on for additional questions if we need to. John Costello with FERC.

In the section 4.2 of the scoping document, pages 14 to 15, we've listed environmental issues and concerns that FERC plans to analyze in the EA. The list is not intended to an exhaustive or final, but it's an initial listing of issues that have been identified and should be potentially significant.

Hopefully everyone has had an opportunity to redo

this list of issues, and the list is not intended to be exhaustive or final. But it's an initial list of resource issues that have been identified and have the potential to be affected by licensing the project.

As you can see, we have identified geology and soils, aquatic, terrestrial, threatened and endangered species, recreation, land use, cultural and developmental resources as issues to be addressed in the EA.

We are particularly interested in hearing from you whether we have captured all of the issues or where some issues need to be added or eliminated. At this time, I'm going to ask the FERC Resource Team, including myself, to say a little bit about the issues that they are responsible for covering in the EA.

I'll start with geology and soils. Basically, so far it's just the effects of continued project operations on shoreline erosion in Brassua Lake and downstream of the project. John will talk about the aquatic resources.

MR. SMITH: So far preliminarily, I've listed here four bullet items on page 14 for aquatic resources. A general one that we'll be looking at will be the project's effects, if any, on water quality, primarily dissolved oxygen and temperature within the lake and downstream in the Moose River.

Another one would be the effects of project

operation, including minimum flow releases and peaking, if that occurs, on habitat or fish and other aquatic species in the Moose River downstream of the project.

We'll be looking at the effects of the impoundment level fluctuations on the near zone, near shore aquatic habitats, and the last bullet item was whether or not any fish passage is needed at the site.

Then a couple of pages -- I think the page before that, we listed our cumulative impacts analysis of what we propose to do there, and the one item that I identified was water quantity, how this project relates to other projects in the basin, and how changes at this project might affect the other projects.

I guess you can see a lot of other indirect effects to various resources. But we left it rather broad and wanted to hear what people thought about that, whether we needed to be more specific or just look at the block of water as it's going down the stream.

I guess I would just like to throw that out to the agencies, if they have any clarifications or additions or subtractions to this tentative list.

MR. SEAVEY: Fred Seavey, U.S. Fish and Wildlife Service. On the cumulative pacts, we may want to look at the changes to that natural hydrograph, and how that might affect the effects to the river geomorphology downstream.

Under the aquatic resources section, we may want to have a specific investigation on the mercury effects, and whether the impoundment increases the release of mercury, and how those effects are biomagnified in the food chain in the reservoir.

MR. TIMPANO: Steve Timpano. On the -- where you're showing on cumulative effects on page 15, Geographic Scope, 4.1.2, and you say you've identified the scope for recreational access to the shoreline, to be within 200 feet of the lake shoreline, how do you choose that 200 foot distance, and does that need to be --

MR. COSTELLO: That's somewhat of an administrative boundary that FERC works within. It's a distance from the shoreline that we feel is reasonable, that we have -- that there can be immediate effects on the project.

There are cases where we can go beyond the 200 feet, if necessary, yes.

MR. TIMPANO: Okay. Thank you. I think -- Steve Timpano again. I think we will probably get into further discussion on what resource issues may need further review, as far as what's shown in Section 4.2. I don't, at this particular time, have too much.

Were you going -- you were, as far as aquatic resources, are you going to discuss the terrestrial

separate, or have you already included that?

MR. SMITH: Terrestrial separately.

MR. COSTELLO: Yes, terrestrial separate, yes.

MR. TIMPANO: Yes, okay.

MR. COSTELLO: And if necessary, I think there will be a little bit of time where can come back and further flesh out some things too, if other questions come up later on.

MR. TIMPANO: Okay, thank you.

MR. COSTELLO: Well, John Costello. Starting with terrestrial resources, so far we've identified the effects of continued project operation on wildlife and its habitat, including wintering areas, inland water fowl, wading bird habitat and lune nesting sites.

Effect of continued project operation on any state-listed threatened or endangered or species of concern, including the northern spring salamander, the northern leopard frog, wood turtle, Tomah mayfly and the plant Canadian burnet, the effects of private operations on the evasive plants in Brassua Lake or along the project shoreline, as well as the effects of any evasive plants on native wildlife at the project, and the effects of continued project operation on wetlands within or adjacent to the project boundary.

For threatened and endangered species, we have

the continued operation of project operations on the threatened and endangered or protected species or its habitat, including the federally threatened bald eagle, Canada lynx, and the federally listed species of concern to Northern cost hawk. Fred, there's probably been some recent changes with the bald eagle.

MR. SEAVEY: Hi, this is Fred Seavey. Today, I think we're announcing that we're removing or delisting the bald eagle from the endangered species list.

So you know, for the sake of the study, we would probably include anyway, because it's an important state resource, and also under the Bald Eagle Act too. So I think Steve Timpano would probably want to include bald eagle too.

MR. TIMPANO: Right. Steve Timpano, yes. Regardless of the change with the federal status, at this time it's still listed as a species under the Maine Endangered Species Act, and we still have what we consider essential habitats designated for it, that carry a number of things for management guidelines and so forth.

To the degree that that, you know, the eagles may or may not be an issue with continued operation of the project, I mean I'm not speaking to that at this time, just to say that jurisdiction still remains.

MR. COSTELLO: Yes, thank you. Well, for recreation, land use and aesthetics, we have the adequacy of

existing project recreation facilities and access, which include the angler's access of the dam.

There's also a canoe and boater's trail and a boat launch, which is located further down Route 15 from the power house, the adequacy of existing shoreline buffers in protecting any important or rare shoreline habitat, aesthetics, cultural resources and recreational access.

This is something that we proposed to look at, also from the cumulative standpoint, mainly because of some of the development that's being proposed around there. There's very early in the stages that we don't know of.

But it's -- we need to be, you know, considering what the cumulative effects of this development could be on shoreline and recurring habitat, and also access for recreational purposes.

Cultural resources. The effects of continued project operation on any historic properties and archaeological resources. Mike, you want to go ahead?

MR. WATTS: For developmental resources, we'll be looking at the effects of any recommended environmental measures and project economics.

So our analysis will basically provide a general list of the potential power benefits and cost of the project included in any environmental or engineering or operational measures. So that's what we're proposing to look at at this

time.

MR. SEAVEY: This is Fred Seavey, and I have a few comments on that list. On the terrestrial resources, we should probably include shore bird use under your first bullet.

MR. COSTELLO: Pardon?

MR. SEAVEY: That would be under the Terrestrial Resource section, 4.2.3. The first bullet should probably include shore bird use. On Bullet 4, which is the effect of the continued operation on wetlands, you should probably add some wording to indicate that it would be those that are also hydrologically connected, which may not be adjacent to the project area, project boundary.

Then under the developmental resources, the economic section, I was wondering if you were going to include no-market analysis in your economic analysis?

MR. WATTS: Non-market analysis?

MR. SEAVEY: Non-market, non-market values, valuation?

MR. WATTS: I don't think we're doing that, but we can certainly add that.

MR. SMITH: John Smith. Fred, hydrologically-connected wetlands that were not necessarily adjacent to the project boundary, is that right?

MR. DUNLAP: What's the scope?

MR. SEAVEY: Yes. John was saying that the general sort of guidelines by FERC is to look at a 200 foot buffer around the existing project boundary, I believe, right? Then I guess what I'm suggesting is that there might be some --

MR. COSTELLO: I guess -- John Costello. I need to clarify myself. We can extend the project boundary out 200 feet, if justified, and on verification if further justified, we can even go beyond the 200 foot.

But that's necessarily the boundary, not necessarily the study area. That's the project boundary.

MR. SEAVEY: Thanks for that clarification.

MR. WATTS: John, did you still want some more -- okay, sure. But any other questions, Fred? Or Steve, did you --

MR. TIMPANO: Steve Timpano again. Just noticing and we'll get into it as we get ahead to potential study discussions, but there seems to be a little disconnect in what's written in the document and what's the issues that you're going to address here under 4.2.3, say Terrestrial Resources, and then the level of studies that are proposed, you may need to do in order to get the information to address those issues. We'll get into it, I think, when we get into the studies.

MR. COSTELLO: Yes.

MR. MURCH: Dana Murch from the DEP. I think Steve in 4.3, those are simply the studies proposed by the applicant.

MR. TIMPANO: Steve Timpano. Thank you. I'm not reading the fine print here.

MR. COSTELLO: Okay. Well, that's a good saguenay. Speaking of proposed studies, we'll hand it over to Frank now.

MR. DUNLAP: Actually, I had a question on clarification. I want to follow up on John's question. Fred, you mentioned two items that I wasn't clear what you were asking, and what FERC's response was on these.

On the terrestrial, you were asking about non-market evaluation. Could you describe what you're thinking on that, and the extent of that, and what you're applying it to and then FERC's response please?

MR. SEAVEY: Economic analysis can occur through a couple of evaluation techniques. One is market analysis, which is based on some of the traditional models that are used, but then there's also contingency value assessment, which allows one to look at things that cannot put a value on it from a market standpoint.

That might be fish and wildlife benefits, aesthetic value of let's say the shoreline being in a certain condition, things like that. Typically, FERC only

uses market-type -- the market-based analysis.

So I guess I was trying to suggest to include another dimension on that economic analysis, which would include non-market values too.

An example of this is that -- well, an example, a simple example is, you know, people will pay to preserve the wheel by sending in a donation, never having seen one, because it has a certain existence value.

So there's sort of a whole set of techniques that allow you to do that for economics, too.

MR. DUNLAP: Do you have a specific resource that you were applying that to, or a general concept that you'd like to see developed?

MR. SEAVEY: I guess I was just suggesting a broader economic analysis, in the way that's typically done by the FERC.

MR. COSTELLO: I guess we could certainly consider those other, you know, the other aspects of it. But typically we do not do that. What's that called, the needs analysis.

MR. WATTS: Yes, the needs corp analysis, which is, like I said, certainly cost-based and also typically --

MR. COSTELLO: Yes.

MR. WATTS: It's typically the economic cost-based, the economic analysis that we do, market-based like

he said. But we typically don't do what you just described. We can certainly add it to the document, but we typically don't do that.

MR. COSTELLO: Frank.

MR. DUNLAP: I'd like to ask a question to Fred on the breadth of the question that you're asking on wetlands, that they not necessarily be, or that they be hydrologically connected, but not necessarily adjacent to the project boundary.

Again, could you follow up with what you're thinking for our benefit and for FERC's? What we saw yesterday was basically fringe wetlands with several peat bog areas. Did you have additional specific concerns on some area wetlands or resources that we should focus on?

MR. SEAVEY: This is Fred Seavey. I don't have specific sites knowledge right now of the project area, you know. But I guess the things that I'm suggesting are in those areas where you might have the hydrology of the lake affecting through, say, groundwater, wetlands that are near but not adjacent.

By adjacent, I guess I'm using the term contiguous, is what I guess I'm assuming, that you guys are considering to be adjacent.

So if you have a hydrologic connection through groundwater that isn't contiguous with the project boundary,

then that could be affecting wetlands that are not immediately adjacent to the reservoir.

MR. HANSON: Bill Hanson.

MR. COSTELLO: No wait.

MR. HANSON: Bill Hanson, FPL. I think I understand what Fred was saying, and there's actually maybe an example of that out there, where we have the shoreline runs by a big gravel berm, and there's a wetland just up over the gravel berm in a small kettle hole that's not physically connected with a channel, but it follows the same water level regime. There may be a couple of cases along the shore where that is.

I don't believe you were talking about miles back in the woods and big groundwater issues. But with those soils up there, there may be a few cases where they're next to but not physically connected that we would look at along the shorelines.

MR. COSTELLO: Well, I guess we're ready for Frank's study proposal now.

MR. DUNLAP: John, we're mostly interested today in listening on what the study requests are.

The studies that we have undertaken to date, and we did some preliminary studies last year and continued some of them into this year was we did, in cooperation with the Maine Department of Fisheries and Wildlife, a brook trout

radiotelemetry study and also included some Atlantic salmon tagging and tracking.

Those were continued into 2007, to the degree that the batteries in the radio tags continue transmitting. So we have that data, and a draft report of that available that we cited in the PAD.

We also conducted some standard water quality sampling last year, being 2006. We took profiles at three locations within the impoundment, and that data was also reported in the PAD application document.

We'll follow up this year with one more field day, to repeat some of the sampling, where the data wasn't analyzed at the lab for all of the grammar. So we'll retake that sample. We also have just in general quality parameters for it, and in the -- there's also a reasonable base of data available from the late 1980's and early 1990's, related to the development of the power house. It's available as a baseline, one that we would anticipate repeating.

That was probably after discussion at the end of yesterday, we're probably doing a macro invertebrate studies downstream of the powerhouse for water quality assessment. That would be either this year or next year that I would anticipate undertaking that.

And again, I want to see -- and we've done red

surveys. Billy, is that annually still? We do downstream red surveys for salmon in the Moose River below the project. Is that up into the project boundary also, the powerhouse tail races, Billy?

MR. HANSON: Yes.

MR. DUNLAP: Yes, that is, and also downstream into some areas of the Moose River that are actually flowed by the Moosehead project. So that information's available, and we do that cooperatively with Inland Fisheries and Wildlife. We'll dive on the bottom and search the reds and check them annually.

Again, we'd anticipate developing the study plans out of this meeting, for what we would plan to do is follow up more likely into next year.

MR. COSTELLO: Any questions on that? Steve?

MR. TIMPANO: Steve Timpano. I guess just reading it, "Conduct a tail water macro invertebrate study, to determine if achieving standards."

I think that the question, I guess, is would you -- depending on the type of study design that you use to satisfy DEP's criteria for water quality standards, would you also be doing a survey, to the extent that you might be able to identify whether there was anything new and different as far as E&T invertebrates or macro -- I mean either invertebrates -- well, anything else you might

observe on the shorelines? Well anyway.

MR. DUNLAP: I didn't get it all, Steve.

MR. TIMPANO: Well, if you use a study methodology to satisfy DEP's water quality standards, you might be putting out rock baskets and that sort of thing. But I guess if you were doing a survey to search for, say, E&T invertebrates, you would use a different methodology probably.

So that just inquiring, if it could or would include the methodologies that would be more likely to identify or not, presence, absence?

MR. DUNLAP: Right now, what we would propose is the standard rock basket, as you say. On that, Billy can address whether we'd be searching for anything else a whole lot further.

But right now, the scope would be to do the standard rock basket for DEP if you have a further need. That's certainly something we'd take a look at. Billy, did you have any thoughts on that?

MR. HANSON: Yes. Bill Hanson, FPL. Yes, I see that as two different studies, but you know, reasonable. But for the water quality standard, we would use the DEP standard methodology with artificial substrates placed at certain distances down below the tail race.

Then I guess I would envision if your agencies

had asked for like an RTE survey of other aquatic insects and other things that would involve a little bit more of a shoreline search and, you know, in a greater area.

I guess I would look actually even maybe to your agency, a little some of the methodologies they might use for some of those.

MR. TIMPANO: Steve Timpano. Yes, I don't know to what degree those -- that section of the river may or may not have already had at least some preliminary survey work by our department. That would be the first step, to see what existing data may or may not exist.

The other thing, any studies that were done at the time the powerhouse was put in, our state of knowledge and the listing of species and so forth has changed substantially since that time. So it certainly needs a re-look.

MR. DUNLAP: I want to add in general, too, we've also done -- and Billy's been doing basically loon surveys and eagle observations and monitoring. They're both present on the lake. So we'll continue that to whatever degree we develop in the study plans, in consult with the agencies.

Also, we're anticipating or planning on a Phase 1 or Phase Zero, at least, an archaeological survey. Nobody from the archaeological community here today, but we'll plan on doing that and in fact have started the development of a

study plan for that.

That's primarily on the main list. There's some plans listed, and we need to, I think, talk further before we pursue a commitment to doing a large search on that, and look at the likelihood of the presence of any of these other species.

In the project area, I think that would be in concert with your department, Steve, and the natural areas program for the Canadian burnet, for instance, and any other potential who are threatened. Okay.

MR. COSTELLO: With our department for the animals and with Maine Natural Areas Program on plants, right?

MR. SEAVEY: This Fred Seavey, U.S. Fish and Wildlife. I was wondering, Bill, if -- my impression is there's not much known about the fish and wildlife resources from a survey standpoint on Brassua Lake.

I guess I was wondering if licensees plan to conduct, you know, more broader surveys in order to understand that better.

MR. HANSON: I would agree with that. Much of the work to date has been more of a reconnaissance level. Other than, I will say we have done a fairly stringent survey of spilloons, almost weekly surveys last year, and we're continuing that this year to identify territorial

pairs and nest sites.

I feel like we have covered that well. We've physically monitored the productivity of the eagle pair, that are resident on the lake, and we even collected things like blood samples and feather samples there, along with a separate study with Maine Fish and Wildlife and U.S. Fish and Wildlife.

So we have some good information. But other species we haven't done any detail survey work, and I guess we were kind of waiting to hear from the different agencies on other interests or surveys, mussel surveys and the type of things that we've been asked to do in other projects.

MR. TIMPANO: Steve Timpano. Yes, I think some of what you have proposed or the licensees are proposing, I think you probably know from other projects what some of the likely would be needed as far as especially the E&T.

But as far as like for fisheries resources, you're working on the radiotelemetry work there. As part of that, have you gone around and assessed the fish passage capabilities of the tributaries at different drawdown elevations during certain periods of the year or whatever, if that is an issue or likely to be.

I mean these are the kinds of things that also need to be addressed. I think it would be a separate set of meetings probably to get into what was needed and in what

detail. I have not been in very much communication with our IF&W's regional biologist.

I understand Doug Cain, at least, was on the field visit with you yesterday, and I'm sure there was some discussions there that we'll flesh out, as far as study needs. Was there any of our fisheries folks there? I know Tim was on vacation or off elsewhere this week anyway.

Okay. I'm getting some nods affirmatively, so I've got others to talk with then.

MR. DUNLAP: Both fisheries regional biologists were there yesterday on the field visit. So that was good, and they were quite helpful on participating in the field visit, so it was very good.

I want to take a moment on these, and note that for first benefit and all of ours, not many licensees have been -- although we're all very experienced in licensing in Maine, and not many of the ILP process projects have been done in Maine or this section of New England.

That puts us on a little different schedule and approach to relicensing, as we've known it over the years.

MR. COSTELLO: Is everyone through with the study discussion or discussion of the studies?

MR. DUNLAP: This will be on the studies also, John.

MR. COSTELLO: Okay.

MR. DUNLAP: And I just want to emphasize, with that new process for this group of participants, licensees included, we need to be conscious of the schedule that FERC sets in these, and the study need descriptions that FERC sets on these.

I want to ask John to, you know, pick up his little spiel in a moment. But we need to focus on basically a 30-day period here, where there's some initial study requests and then the responses. So it's a very near-term period for developing these study requests and what we have proposed are based on our past knowledge and our past interactions with all of our friends in the licensing community here.

But we'll need to sit down in the next couple of months and really focus on developing these study plans, so we can get through this process. With that hopefully as a saguenay John, if you can kind of go through that list, if that's the next slide. I think it is.

MR. COSTELLO: Well is everyone through with the studies?

MR. DUNLAP: Oh yes.

MR. COSTELLO: I just have some clarification on the studies first too. The one about the cultural resources, you mentioned your Phase Zero.

MR. DUNLAP: Yes.

MR. COSTELLO: What is meant by that?

MR. DUNLAP: Phase Zero studies in Maine is something that is used by the State Historic Preservation Officer, and it's basically an initial review of materials and known sites and known resources, an inventory, a paper inventory if you will.

It can include a walk-around survey of the project, so you're in the field. But it's not necessarily a structured or highly structured excavation of test pits. It would be more shovel pits and areas known to likely include our cultural resources.

So that's the first step, and most of the Maine licensing is to get our consultant together with the SHPO, and do an initial survey.

MR. COSTELLO: Yes. Okay, good. So it sounds like it's a little more of just your basic literature search. It could also include some field surveying?

MR. DUNLAP: It can include a field tour, if you will.

MR. COSTELLO: Yes, because this -- as you probably already know, that we have to be consistent with Section 106 of the National Historic Preservation Act, and that will require some very extensive consultation with the SHPO, you know, the State Historic Preservation Office and of course us, as well, and potentially down the road, if

some sites are found that are being affected, we could even have developed the Advisory Council on Historic Preservation.

So it is kind of an extensive process, and like most of your surveying, it's pretty much -- especially underground, it's got to be pretty much snow-free.

MR. DUNLAP: Yes. We're aware of that, and have started some discussions with the SHPO already. Our consultant on this has been in contact with him. So yes, we're aware of those limitations and needs.

MR. COSTELLO: Yes, and the other study that you had, that was concerning -- to conduct an assessment of the project shoreline, both developed and undeveloped, in order to identify areas that may require development restrictions to protect natural resources, could you explain that a little more?

MR. DUNLAP: Yes. It is a broad category, but it's basically a shoreline survey, which we saw most of the shoreline yesterday as undeveloped. But I'll do a little more detailed review of that and development potential or development proposals, and how they would relate to the project.

I think again, we would need to do that in concert with the agencies, if they have concerns on that. But it was not intended as an extremely intense survey, but

as an inventory, if you will, of the impoundment perimeter and potential development or uses.

MR. COSTELLO: Okay. If no other questions, we'll --

MR. SEAVEY: Sorry John. This is Fred Seavey, and I guess I have two things. Steve had mentioned about the study plan process, and under the ILP, within 30 days, we have to provide our study plans or what we recommend.

So if we're -- you had mentioned a possible meeting. If we're going to have that meeting, we need to schedule that pretty quickly if we wanted to get together as sort of a group to look at that.

The second comment I have is, you know, I would encourage FERC to approach the federally recognized tribes in Maine, to see if they have interests on the relicensing of this project directly, as opposed to an indirect means, like seeing letters and stuff.

MR. COSTELLO: This is John Costello. We've already done that.

MR. SEAVEY: I just have one more question for Frank before I get on the study request criteria. Is there any kind of a bathymetric map of the impoundment available that you're aware of? No?

MR. DUNLAP: No.

MR. COSTELLO: Oh, this is it?

MR. DUNLAP: I'm not sure that there is someone else here in the state that has been doing a number of different lakes with more detail. Those, the map that you just had in hand there is the one that Inland Fisheries and Wildlife put out, and they are not definitive by any means.

But they're an approximation of what's there. But there may be some better detailed mapping if this private individual may have done it.

MR. COSTELLO: Okay. I guess we'll move on now to -- John will talk about the study request criteria.

MR. SMITH: This is John Smith again. I guess you just heard that the -- any study requests will be due from anybody that wants to request a study within the next 30 days, the same time that comments on scoping are due.

This is a really important slide. Under our regs, all study requests have to adhere to these seven criteria. That is, if they come from the agencies or an NGO, the public, the licensees, or from FERC's staff. We all have to adhere to the same criteria.

Each study needs to identify its goals and objectives, and consider any existing resource management goals that are out there, take into consideration public interest, look at the existing information and why a study is needed, why there's holes in what's existing and how the

study can fill those holes.

The next bullet is really important. The study request -- there has to be an identified nexus to project operations or effects. We talked a little earlier about possible wetlands that are hydrologically connected to the impoundment.

That would be an example of something that could be considered a nexus to the project, because the project's operating level could have an effect on that habitat, whereas habitat above a stream with a waterfall, that would not be hydrologically connected to the project effects.

The study requests, the methodology expressed in the study requests need to be consistent with accepted practice, and there should be some consideration of the level of effort needed and the cost to conduct the studies, and why alternative studies would not suffice.

These are in 5.9(b) of the regulations, if you need to look at them more specifically. Are there any questions on the study request criteria?

MR. COSTELLO: John Costello. We have a handout that provides some more detail on the criteria on the table, if you would like that.

MR. SMITH: Okay. You can do your next slide. Some important dates. As we said, study requests are due at the same time that your comments on scoping are due, on

7/27. Then there's a required -- oh, I'm sorry.

The proposed study plan is due from the license applicants on September the 10th, and at least one required meeting is to be held on October the 10th. There may be the need for more meetings. I guess we can determine that after we hold the first one.

But that meeting will be run -- will be held and run and organized by the applicants. A revised study plan would be due then January the 8th, and a final determination from FERC on February the 7th.

This handout, though, has all of the -- this flow chart's got all the milestones, as well as the process plan in the back of the pre-application document has the milestones as well and the responsible party for each one of them.

But things happen pretty fast, and the first one's probably the most important, the first 30 days.

MR. DUNLAP: Don't you want to add to that just who those are due to? You have due dates. Who are they due to?

MR. SMITH: Let's see. The study requests and comments on scoping are due to FERC. I guess the proposed study plan is also to be filed with us, as well as everybody else on the distribution list.

The study plan meetings are noticed by the

applicants, but we either participate by phone or in person. We've done it both ways. They're not -- it should be 60 days between the study plan meetings and the revised study plan. That shows 90.

Comments are due on the PAD in 30 days. Applicant files a proposed study plan in 45. Then within 30 days, there's a study plan meeting. 60 days after that there's comments on the study plan. That's probably the date that's missing there.

The comments would be due in December, and then a revised study in January. There's only 26 boxes, boxes and sub-boxes, and some things that occur before all of this even gets started. Are there any questions on the process?

(Discussion off the record.)

MR. SMITH: It's correct. The only thing that's missing is the comments.

MR. COSTELLO: Yes, John. These dates are correct. There might be one missing, but these due dates are correct.

MR. SMITH: Yes, yes. There's just the comments. There's an opportunity to comment after the study plan meetings are held in October. Sixty days after that, there's a comment period and then the licensees get to revise their study plan.

MP And the comments are due December 9th.

MR. SMITH: Okay. It's almost better to track the process plan schedule at the back of the PAD.

MR. COSTELLO: It's summarized also on the back of the scoping document.

MR. SMITH: Right.

MS. EICHENBERG: Kathy Eichenberg from the Maine Department of Conservation. Just looking at the scheduled dates that you have up there and the ones I'm looking at in the PAD, I guess -- and they're not the same, the time lines, we've got 7/24 instead of 7/27, and comments.

The date on the study plan comments. Study plan meetings. Study plan meetings, it says 9/07 instead of 10/10. So is there another document that has those dates on it, that --

MR. SMITH: I understand a correction in the record. Just I would go with the scoping document that we issued.

MR. COSTELLO: Yes. This is John Costello. Yes, the scoping document has the dates. The PAD had the preliminary dates from the applicant, and the scoping document was put into a time frame that coincided with the current schedule.

It's in the back of the scoping document, Appendix B or the last page probably.

(Pause.)

MR. SMITH: I have a question for Frank. This is John Smith. Do you guys have a website to keep track of filings or comments between all of the parties, or a process for, you know, making sure that everybody basically in the room knows what's going on?

MR. DUNLAP: We do not have a website. We would plan to do it by e-mail and hard copy, kind of the traditional way, and make sure that everybody distributes to the full service list or mailing list on it.

MR. SMITH: Yes, this is John Smith again. The few examples I've worked on, where there is some discussion back and forth as the study plans evolve over the 90-day period, it's helpful to see what the e-mails are, so you know if there's a -- if FERC needs to kind of jump in and help out or back off.

Other licensees have done something like that, where they've got this e-mail distribution list and people can keep track of what's going on with the study plans.

MR. DUNLAP: We'll have to discuss it a little further.

MR. SMITH: Okay.

MR. SEAVEY: This is Fred Seavey with U.S. Fish and Wildlife. It would be useful for us if there was some way that the licensee could put their source information on a website somewhere, where we can have access to it if we

wanted to review the source information to the PAD and other source information, as study plans are developed.

This is being done on the Penobscot River Restoration Plan that's going on.

MR. DUNLAP: Again, good suggestion. Currently, we don't have it on a website per se, but it is available on request. So if you do have something, be sure to give me a call and I'll get that to you.

MR. MENDIK: Kevin Mendik, National Park Service. Are you planning to develop a website to track this particular project? I know some of the other ILPs in the region have dedicated websites for study dates and information coming in and going out?

MR. DUNLAP: Like I just said, we haven't set it up but we're going to consider it. For the record, good question, same response as prior to Kevin.

We haven't developed that yet. It's a good suggestion, so we'll be glad to consider it further with people. But right now, we have not taken that step, no.

MR. COSTELLO: Any other questions? I guess the only comment I would have that these dates are not flexible. I mean we all have, including FERC staff, has to adhere to them. So I know we're all busy, but one more thing on our plates.

MR. SMITH: John Smith. I mentioned it last

night. For those of you that weren't there, if the licensee, for example, gets a study plan in a few days early or a week early, we don't intend to shortchange the comment period. We would keep the dates in the schedule the same. So you could get it maybe an extra week to look something over.

It's not real clear in the regs how that was to be applied, but our policy so far has been to allow the full period that's in the schedule.

MR. COSTELLO: Okay. Well, I guess that brings us a little closer to the end. I'll open it up for any additional comments or questions or --

(No response.)

MR. COSTELLO: Well, thanks a lot for coming, and your input's very much appreciated and your time. We'll probably be seeing you a lot in the near future.

(Whereupon, at 2:00 p.m., the hearing was adjourned.)

-