



Great River Hydro

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VIA ELECTRONIC FILING

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, D.C. 20426

**Re: Great River Hydro, LLC; FERC Project Nos. 1855, 1892 and 1904
Submission of Final License Application and Request for Waiver
of Requirement to Include Draft Biological Assessment in Final Licenses**

Dear Secretary Bose:

Pursuant to the regulations of the Federal Energy Regulatory Commission (the Commission or FERC), 18 C.F.R. §§ 5.17 and 5.18, Great River Hydro, LLC (Great River Hydro) as licensee, owner and operator hereby submits three Final License Applications (FLA) as part of the Integrated Licensing Process (ILP) for the relicensing of the Wilder Project (FERC No. 1892), Bellows Falls Project (FERC No. 1855) and the Vernon Project (FERC Project No. 1904) (collectively known as Projects). The current licenses for each of the Projects expire on April 30, 2019.

As of April 19, 2017, the name of the licensee of the Project is Great River Hydro, as a result of TransCanada Hydro Northeast Inc. (TransCanada) converting to a limited liability company on April 7, 2017, and changing its name to Great River Hydro on April 19, 2017. Further clarification of these recent changes is provided below. References in this letter to actions taken in pursuit of relicensing will refer to either name as the Projects' Licensee depending on whether the action occurred prior to or after April 19, 2017.

Contents and Format of the FLA Filings

<u>Material</u>	<u>Wilder Project</u>	<u>Bellows Falls Project</u>	<u>Vernon Project</u>
Cover Letter	Consolidated for all Projects		
Initial Statement/ Additional Information Exhibit A Exhibit B Exhibit C Exhibit D Exhibit F (info) Exhibit G (info) Exhibit H	Project- specific document as pdf	Project-specific document as pdf	Project-specific document as pdf
Exhibit E: Consolidated Environmental Report	Consolidated for all Projects		
Exhibit E-Appendix C (Privileged)	Consolidated for all Projects		
Exhibit F-Lg. Format Drawings (CEII)	Project-specific document as pdf	Project-specific document as pdf	Project-specific document as pdf
Exhibit G-Lg. Format Drawings	Project-specific document as pdf	Project-specific document as pdf	Project-specific document as pdf
Exhibit G-Project Boundary shapefile	Project-specific ArcGis zip file	Project-specific ArcGis zip file	Project-specific ArcGis zip file

Some information in each FLA (Exhibit F drawings) contains Critical Energy Infrastructure Information (CEII), which has been removed from the public version of the FLA. In accordance with the Commission’s filing guidelines, this material will be filed separately as CEII. Similarly, locational information in the FLA pertaining to American bald eagle nesting sites (Exhibit E, Appendix C) will be filed as Privileged due to the sensitivity of the material.

Status of FERC Approved Studies

On August 14, 2013, TransCanada filed with FERC its Revised Study Plan (RSP) to address the effects of continued operation of the Projects. The RSP included 33 individual studies and data collection efforts (see Table 1). On August 27, 2013, Entergy announced plans to decommission the Vermont Yankee Nuclear Power Plant (VY) during the fourth quarter of 2014.¹ The effect of decommissioning VY thus changed the baseline conditions at the Vernon Project because VY withdrew cooling water from and discharged the water back into the Vernon Project impoundment.

In its first Study Plan Determination (SPD) on September 13, 2013, the Director of the Office of Energy Projects (Director) delayed issuing determinations for 20 aquatic resource studies, pending a technical meeting on the issue of VY's decommissioning, and approved 7 studies with modifications and 6 studies with no modifications. FERC held the technical meeting with stakeholders on November 25, 2013, to discuss potential effects of the planned VY closure on proposed aquatic study designs and schedules. As a result of the meeting, on December 31, 2013, TransCanada filed revisions to the following five (5) study plans: Study 6, *Water Quality*; Study 13, *Tributary and Backwater Area Fish Access and Habitats*; Study 18, *American Eel Upstream Passage Assessment*; Study 21, *American Shad Telemetry*; and Study 23, *Fish Impingement, Entrainment, and Survival*.

FERC issued a second SPD on February 21, 2014, that deferred 15 of the 20 aquatic resource studies until 2015 to allow the studies to be conducted after the intake and discharge of water from VY had ceased, and approved without modification 5 studies determined not to be affected by the VY decommissioning. In the second SPD, FERC also addressed TransCanada's December 31, 2013 study plan revisions and required a new Vernon Hydroacoustic Study, referred to as Study 34. TransCanada filed a request for rehearing on March 24, 2014, arguing against the need to conduct the Vernon Hydroacoustic Study. Meanwhile, stakeholder consultation was conducted and in accordance with the SPD, a study plan for the Vernon Hydroacoustic Study was filed on September 15, 2014. A FERC technical meeting was held on November 20, 2014, to discuss issues surrounding the potential use of hydroacoustics at the Vernon Project, and on May 14, 2015, FERC issued an order eliminating the requirement to conduct the Vernon Hydroacoustic Study, and instead approved an updated RSP for Study 22, *Downstream Migration of Juvenile American Shad at Vernon*, that had been filed on February 3, 2015.

TransCanada conducted the required studies and filed an Initial Study Report on September 15, 2014, and an Updated Study Report (USR) on September 14, 2015. In the USR only summary information was provided for aquatic studies initiated in 2015 because of the preliminary nature of the information that had been gathered to date. On January 15, 2016, the Director issued another SPD and postponed any determination on stakeholder-requested study modifications to Studies 3, 5, 13, 14, 15, and 18, pending completion of those studies. FERC issued a Revised Process Plan and Schedule for the Projects on September 14, 2015, identifying March 1, 2016, as a "target" filing deadline for USRs on studies yet to be completed. Any remaining study reports that could not be filed by March 1, 2016, were required to be identified along with an anticipated filing date.

TransCanada filed a second USR on March 1, 2016, and FERC issued an SPD on June 29, 2016. On May 5, 2016, FERC issued a Revised Process Plan and Schedule for the Projects that identified May 15, 2016 as the filing deadline for USRs on most studies that had not been completed by the March 1, 2016 filing date, and August 1, 2016, as the filing deadline for the remaining studies. TransCanada timely filed seven

¹ The decommissioning of VY began on December 29, 2014.

(7) study reports as part of its third USR on May 16, 2016, and FERC issued its SPD in response to this USR on September 12, 2016. Because of the need to conduct additional analysis of hydraulic and operations model data, not all reports listed in FERC's schedule could be filed by May 16, 2016. TransCanada consulted with FERC staff about these studies, and a target date of June 17, 2016, was proposed for the completion and distribution of those reports to stakeholders for review and consultation prior to the Final Study Report deadline of August 1, 2016.

TransCanada filed a fourth USR on June 17, 2016, and a fifth USR on August 1, 2016. Two study reports intended to be included in the fifth USR, were not included to allow for further consultation with stakeholders and additional analysis. The Director issued an SPD on the fourth and fifth USRs on November 29, 2016.

Additional revised study reports or report supplements were filed between November 30, 2016, and February 28, 2017. On February 22, 2017, FERC issued a Revised Process Plan and Schedule that identified March 15, 2017, as the deadline for USRs on studies not previously filed. TransCanada consulted with FERC staff about study reporting delays that had prevented filing by March 15, 2017. The final two study reports were filed on March 22, 2017. A study report meeting was held on March 30, 2017, for all new study reports, revised study reports or report supplements filed after November 30, 2016, and a continuation of the meeting specific to Instream Flow Study 9 was held on April 14, 2016. A summary of the Study Report Meeting held on March 30, 2017 was filed on April 14, 2017 (see Table 1).

Current and pending actions in the ILP include stakeholder Comments/Disagreements/Requests to Amend Study Plan to be filed by May 14, 2017, Great River Hydro's response by June 13, 2017, and the subsequent FERC determination in response to these filings on July 13, 2017. Additionally, Great River Hydro has agreed with agency recommendations to continue Study 18 *American Eel Upstream Passage Assessment* at the Vernon Project, and to conduct a portion of Study 21 *American Shad Telemetry Study* using radiotelemetry, specifically the downstream migration route selection study. Great River Hydro anticipates field study work and reporting results will be completed by November 30, 2017. Until these continuing studies are completed, it would be premature for fishway prescriptions to be developed for the Vernon Project.

Additional consultation with stakeholders is necessary to review and refine habitat suitability indices developed for Study 9 *Instream Flow Study*, including for dwarf wedgemussel and sea lamprey. Further consultation is necessary regarding discussion of results, recommendations for enhancing habitat, examination of operational changes to address recommendations, and, if possible, identification of possible alternatives to current operations at the Projects. Great River Hydro anticipates this critical study consultation will require at least 6 months to complete.

Great River Hydro's Proposal in the FLA and Plan to File an Amended FLA

Each FLA includes a section on Proposed Actions and Alternatives, which typically include, at a minimum, the no-action alternative and applicant's proposal. Since aspects of key studies are not yet final (as described above), it would be premature for Great River Hydro to develop a complete licensing proposal detailing protection, mitigation and enhancement (PM&E) measures for the Projects in the new license term at this time. Therefore, Great River Hydro's proposal is limited at this time to the no-action alternative.

Great River Hydro intends to: (1) complete the fishway studies described above; (2) further consult and discuss with resource agencies and other stakeholders the study results, particularly Study 9 *Instream Flow Study*; and (3) perform modeling evaluations on possible mitigation and enhancement options that involve operational alternatives. Completing these tasks will insure all parties will be better informed to develop or support alternatives to those proposed in the FLA filed herewith. After the outstanding studies, modeling, and consultation are completed, Great River Hydro will be in a better position to develop a comprehensive proposal for relicensing the three Projects and to amend its FLA to incorporate such a proposal. The amended FLA will include analysis of final study results and a more complete proposal for future Project operations and PM&Es.

Great River Hydro will develop Historic Resource, Recreation, and Land Management Plans and submit them as part of an amended FLA. These plans will detail proposed future management, enhancement and mitigation strategies. As stated above, it is premature to develop a complete licensing proposal until all studies, consultation, and examination of alternatives have been completed. These plans are significant components of a complete licensing proposal and cannot be evaluated and proposed in isolation. All proposed PM&E measures for each project should be considered as a collective set of measures in order for Great River Hydro to determine an appropriate balance between power and non-power resources and to reflect such balance in an amended FLA.

Request for Waiver of Draft Biological Assessment in FLA

Great River Hydro has been designated as the Commission's non-federal representative for purposes of informal consultation under Section 7 of the Endangered Species Act (ESA), and would therefore typically file a draft biological assessment (DBA) with its FLA, pursuant to section § 5.18(b)(3)(ii) of the Commission's regulations. However, Great River Hydro cannot conduct a meaningful assessment of the potential impacts of relicensing on the ESA-listed dwarf wedgemussel when resource agency consultation on critical aspects of the instream flow study (Study 9) is not yet complete. Great River Hydro therefore requests a waiver of the requirement to file a DBA with the FLA; it will file a DBA in its amended FLA.

ILP Process and Stakeholder Engagement

In its March 1, 2017 comment letter on the Preliminary Licensing Proposal (PLP), the Connecticut River Watershed Council (CRWC) stated a number of concerns about the ability of the ILP process to address stakeholder interests and provide for meaningful PLP content for comment.

As described above, for various reasons outside of TransCanada's and Great River Hydro's control, the status of the relicensing studies and subsequent consultation and alternatives

evaluation remain on-going. The delay in producing what CRWC and others consider to be a "complete" PLP or FLA will not diminish Great River Hydro's intent to evaluate project effects on resources, and to engage and consult with resource agencies and other stakeholders. This consultation will include

discussion of study results, consideration of and responses to study report comments, consideration of additional studies, and evaluation of PM&E recommendations that may lead to a more thoughtful, evidence-based licensing proposal. This iterative study process is a hallmark of the ILP, which requires studies to be satisfactorily completed prior to developing meaningful recommendations or licensing proposals. As a part of this process, Great River Hydro recognizes the need for continued stakeholder participation, consultation, and adequate opportunity to comment on additional study results and/or licensing proposals. Nothing in the ILP process or these FLAs diminishes the opportunity for stakeholder engagement.

Clarification of Great River Hydro, LLC as Licensee

As of April 19, 2017, Great River Hydro is the licensee for the Projects as a result of TransCanada converting to a limited liability company on April 7, 2017, and changing its name to Great River Hydro on April 19, 2017.

Specifically, by order issued February 22, 2017 (158 FERC ¶ 62,119) (Order), the Commission approved the transfer of the Projects from TransCanada to TransCanada Hydro Northeast LLC (TC Hydro LLC), contingent upon, TC Hydro LLC filing with the Commission, evidence of the following: (1) transfer of title of the properties under each license, transfer of all project files including all dam safety related documents, and delivery of all licenses instruments to TC Hydro LLC; and (2) TC Hydro LLC acknowledging acceptance of the Order and its terms and conditions by signing and returning the acceptance sheet attached to the Order.

On April 18, 2017, pursuant to the provisions of Ordering Paragraph (C) of the Order, TC Hydro LLC filed with the Commission its executed acceptance sheet indicating that TC Hydro LLC accepted the Order and all of its terms and conditions, as well as the required documentation from the State of Delaware reflecting the conversion of TransCanada to a limited liability company (TC Hydro LLC) as of April 7, 2017, and authorizations to conduct business in New Hampshire, Massachusetts and Vermont as such.

As explained in TransCanada's November 18, 2016 Application For Transfer Of Licenses (Application) (at pp. 5-6), pursuant to the laws of the State of Delaware, the conversion of TransCanada into TC Hydro LLC, as proposed in that Application and as approved in the Order, resulted in title to all of the Projects' real estate and other property automatically continuing as vested in TC Hydro LLC upon the conversion without any instruments of conveyance. Thus, TC Hydro LLC, through the State of Delaware conversion process, obtained title to all of the Projects' real estate and other property, including all of the Projects' files and license instruments, without any instruments of conveyance. Consequently, no such instruments of conveyance of the type referenced in Ordering Paragraph (C) of the Order exist, and TC Hydro LLC did not submit any such instruments.

As also explained in the Application (footnote 6 at pp. 2-3), TC Hydro LLC changed its name, but not its legal identity, to Great River Hydro following the close of the acquisition of TC Hydro LLC by Great River Hydro NE, LLC. *See also Order Authorizing Acquisition and Disposition of*

*Jurisdictional Facilities, 158 FERC ¶ 62,019 (2017).*² On April 24, 2017, in accordance with the Application, Great River Hydro provided the Commission with written notice that TC Hydro LLC had changed its name to Great River Hydro, effective as of April 19, 2017, so that the Commission could revise its records to accurately reflect the name of the licensee of the Projects.

In summary, effective April 18, 2017, the licenses for the Projects were transferred from TransCanada to TC Hydro LLC, as a result of the conversion to a limited liability company and filing by TC Hydro LLC of the documentation required by Ordering Paragraph (C), as approved by the Order. Effective April 19, 2017, the name of the licensee for the Projects became Great River Hydro as a result of TC Hydro LLC changing its name, but not its legal identity, to Great River Hydro.

Sincerely,

A handwritten signature in blue ink, appearing to read "John L. Ragonese".

John L. Ragonese
FERC License Manager

² On April 26, 2017, Great River Hydro, LLC filed its Notice of Consummation of the transaction in docket No. EC17-36-000. As of April 19, 2017, Great River Hydro, LLC is a wholly-owned subsidiary of Great River Hydro, NE, LLC.