UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Texon, Inc.

Project No. 2986-001

ORDER GRANTING EXEMPTION FROM LICENSING OF A SMALL HYDROELECTRIC PROJECT OF 5 MEGAWATTS OR LESS

(Issued May 11, 1982)

The Applicant 1/ filed an application for exemption from all or part of Part I of the Federal Power Act pursuant to 18 C.F.R. Part 4 SUBPART K (1980) implementing in part Section 408 of the Energy Security Act (Act) of 1980 for a project as described in the attached public notice. 2/3/

Notice of the application was published in accordance with Section 408 of the Act and the Commission's regulations and comments were requested from interested Federal and State agencies including the U. S. Fish and Wildlife Service and the State Fish and Wildlife Agency. All comments, protests and petitions to intervene that were filed have been considered. No agency has any objection relevant to issuance of this exemption.

standard Article 2 included in this exemption, requires compliance with any terms and conditions that Federal or State fish and wildlife agencies have determined appropriate to prevent loss of, or damage to, fish and wildlife resources. The terms and conditions referred to in Article 2 are contained in any letters of comment by these agencies which have been forwarded to the Applicant in conjunction with this exemption.

The Crescent Mills Dam is classified as a significant hazard dam. A failure of the dam could result in property damage and loss of life downstream. Article 6, included in this exemption, requires that an Emergency Action Plan be filed.

- 2 -

Should the Applicant contest any terms or conditions that were proposed by Federal or State agencies in their letters of comment as being outside the scope of Article 2, the Commission shall determine whether the disputed terms or conditions are outside the scope of Article 2.

It is ordered that:

(A) Texon Hydro Project No. 2986 as described and designated in Texon, Inc.'s application filed on November 27, 1981, is exempted from all of the requirements of Part I of the Federal Power Act, including licensing, subject to the standard articles in \$4.106 of the Commission's regulations attached hereto as Form E-2, 18 C.F.R. \$4.106 45 Fed. Reg. 76115 (November 18, 1980), and the following Special Article.

Article 6. This exemption is subject to the following provisions of 18 C.F.R., Part 12:

(1) Subpart C - Emergency Action Plans

(B) This order is final unless a petition appealing it to the Commission is filed within 30 days from the date of its issuance, as provided in Section 1.7(d) of the Commission's regulations, 18 C.F.R. 1.7(d)(1981), as amended, 44 Fed. Reg. 46449 (1981). The filing of a petition appealing this order to the Commission or an application for rehearing as provided in Section 313(a) of the Act does not operate as a stay of the effective date of this order, except as specifically ordered by the Commission.

Robert E. Cackowski Deputy Director, Office of Electric Power Regulation

DC-A-17

THE RESERVE THE PROPERTY OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN THE PERSON NAMED IN COLUMN TWO IS NAMED IN THE PERSON NAMED

^{1/} Texon, Inc., Project No. 2986, filed on November 27, 1981.

^{2/} Pub. Law 96-294, 94 Stat. 611. Section 408 of the ESA amends inter alia, Sections 405 and 408 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. \$\$2705 and 2708).

^{3/} Authority to act on this matter is delegated to the Deputy Director, Office of Electric Power Regulation under \$375.308 of the Commission's regulations 45 Fed. Reg. 21216 (1980), as amended by Order No. 112 in Docket No. RM81-5, issued Hovember 21, 1980, (45 Fed. Reg. 79024).

UNITED STATES OF AMERICA FEDERAL EMERGY REGULATORY CONMISSION

THE PARTY OF THE P

Texon, Inc.

Project No. 2986-001

NOTICE OF APPLICATION FOR EXCHPTION FOR SHALL HYDROELFCTPIC POHER PROJECT UNDER 5 NW CAPACITY (January 25, 1982)

Take notice that on November 27, 1981, Texon, Inc. (Applicant) filed an application, under Section 408 of the Energy Security Act of 1980 (Act) (16 U.S.C. \$52705, and 2708 as amended), for exemption of a proposed hydroelectric project from Iliemsing under Part I of the Federal Power Act. This application was filed during the term of the Applicants preliminary permit for Project No. 2986. The proposed small hydroelectric project, Project No. 2986, would be located on the Westfield River in the County of Hamphen, "Askachusetts. Correspondence with the Applicant should be directed 13: Texon, Inc., Canal Street, South Hadley, Massachusetts 01075, Viention: "Ir. Irving Ouimby, Senior Vice President.

Project Rescription - The proposed project would be run-of-the-river and would consist of: (1) an existing gravity dam, 250 feet long and 12 feet high, constructed of stone blocks and concrete with a spillway at the right abutment and provision for 3-foot high (lashboards; (2) a reservoir having minimal pondane; (3) an existing lated intake structure, forebay and channel leading to (4) a convertiouse to be renovated and equipmed with two new turbine-lunerator units having a total rated capacity of 1,650 kW; (5) a restored tailrace; (6) existing transmission lines and a substation; and (7) appurtenant facilities. The Applicant estimates that the average annual energy output would be 9,500,000 kWh. Project energy would be sold to the Western Hassachusetts Electric Company.

<u>Furpose of Exemption</u> - An exemption, if issued, gives the Exemptee priority of control, development, and operation of the project under the terms of the exemption from licensing, and protects the Exemptee from permit or license applicants that would seek to take or develop the project.

Agency Corments - The U.S. Fish and Wildlife Service, The National Harine Fisheries Service, and the Massachusetts Division of Fisheries and Wildlife are requested, for the purposes set forth in Section 408 of the Act, to summit within 60 days from the date of issuance of this notice appropriate terms and conditions to protect any fish and wildlife resources or to otherwise carry out the provisions of the Fish and Wildlife Coordination Act. General comments concerning the project and its resources are requested; however, specific

Project No. 2786-001

- 2 -

terms and conditions to be included as a condition of exemption must be clearly identified in the agency letter. If an agency does not file terms and conditions within this time period, that agency will be presumed to have none. Other Federal, State, and local agencies are requested to provide any comments they may have in accordance with their duties and responsibilities. No other formal requests for comments will be made. Comments should be confined to substantive issues relevant to the granting of an exemption. If an agency does not file comments within 60 days from the date of issuance of this notice, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Competing Applications - Any qualified license applicant desiring to file a competing applicating must submit to the Commission, on or before either the competing license application that proposes to develop at least 7.5 megawatts in that project, or a notice of intent to file such a license application. Submission of a timely notice of intent allows an interested person to file the competing license application of later than 120 days from the date that comments, protests, etc. are dué. Applications for preliminary permit will not be accepted.

A notice of intent must conform with the requirements of 18 C.g.p. 54.33(b) and (c) (1980). A competing license application must conform with the requirements of 18 C.F.R. 54.33(a) and (d) (1980).

Comments, Protests, or Petitions to Intervene - Anyone may submit comments, a protest, or a petition to intervene in accordance with the requirements of the Bules of Practice and Procedure, 18 C.F.R. \$1.8 or \$1.10 (1980). In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a petition to intervene in accordance with the Commission's Pules may become a party to the proceeding. Any comments, protests, or ps. MAX and to intervene must be received on or before

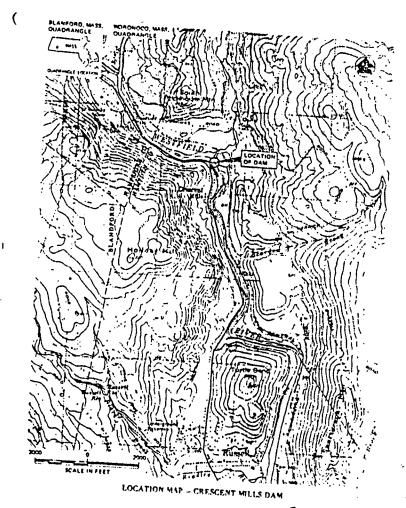
Filing and Service of Responsive Documents - Any filings must bear in all capital letters the title "COMMENTS", "MOTICE or INTENT TO FILE COMPETING APPLICATION", "COMPETING APPLICATION", "PROTEST", or "PETITION TO INTERVENE", as applicable, and the Project Number of this notice. Any of the above named documents must be filed by providing the original and those copies required by the Commission's requisitions to: Kenneth F. Plumb, Secretary, Pederal Energy Regulatory Commission, 325 Worth Capital Street,

Project No. 2986-001

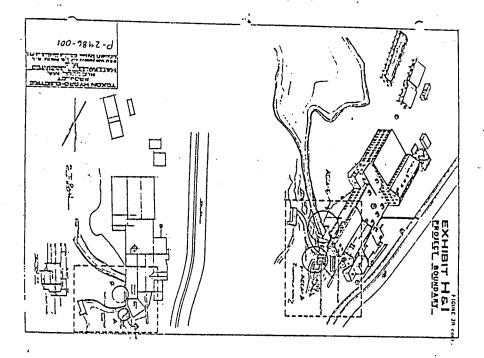
1.5

NE., Washington, D.C. 20426. An additional copy must be sent to: Fred E. Springer, Chief, Applications Branch, Division of Hydropower Licensing, Federal Energy Regulatory Commission, Room 208 RB at the above address. A copy of any notice of intent, competing application, or petition to intervene must also be the first paragraph of this notice.

Kenneth F. Plumb Secretary



F-2986-001



Attachment E-2 Form

i 4.106 Standard terms and conditions of exemption from licensing.

Any exemption from licensing granted under this subpart for a small hydroelectric power project is subject to the following standard terms and conditions:

- (a) Article 1. The Commission reserves the right to conduct investigations under sections 4(g), 306, 307, and 311 of the Pedera Power Act with respect to any acts, complaints, facts, conditions practices, or other matters related to the construction, operation, or maintenance of the exempt project. If any term or condition of the exemption is violated, the Commission may revoke the exemption, issue a suitable order under section 4(g) of the Federal Power Act, or take appropriate action for enforcement, forfeiture, or penalties under Part III of the Federal Power Act.
- (b) Article 2. The construction, operation, and maintenance of the exempt project must comply with any terms and conditions that any Federal or state fish and wildlife agencies have determined are appropriate to prevent loss of, or damage to, fish or wildlife resources or otherwise to carry out the purposes of the Fish and Wildlife Coordination Act, as specified in Exhibit E of the application for exemption from licensing or in the comments submitted in response to the notice of the exemption application.
- (c) Article 3. The Commission may accept a license application by any qualified license applicant and revoke this exemption if actual construction or development of any proposed generating facilities has not begun within 18 months, or been completed within four years, from the date on which this exemption was granted. If an exemption is revoked, the Commission will not accept a subsequent application for exemption within two years of the revocation.

- (d) Article 4. This exemption is subject to the navigation servitude of the United States if the project is located on navigable waters of the United States.
- (e) Article 5. This exemption does not confer any right to use or occupy any Federal lands that may be necessary for the development or operation of the project. Any right to use or or occupy any Federal lands for those purposes must be obtained from the administering Federal land agencies. The Commission may accept a license application by any qualified license applicant and revoke this exemption, if any necessary right to use or occupy Federal lands for those purposes has not been obtained within one year from the date on which this exemption was granted.