84 FERC ¶ 62, 16 2

UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Franklin Industrial Complex, Inc.) Project No. 3760-007

ORDER AMENDING EXEMPTION

AUG 2 0 1998

On April 17, 1997, Algonquin Power Systems, Inc., Operating Manager for Franklin Industrial Complex, Inc., exemptee for the Stevens Mill Project, FERC No. 3760, filed an application to amend its exemption. The exemptee requested the Commission's approval to remove an idle generating unit G2 placed in the Bow Street Powerhouse. The project is located on the Winnipesaukee River within the City of Franklin, Merrimack County, New Hampshire.

BACKGROUND

On June 14, 1983, the Stevens Mill Project was exempted from licensing. 1/ The project was authorized with two powerhouses with a total installed capacity of 1,940 kW. The Bow Street Powerhouse, located on the north side of the Winnipesaukee River, originally consisted of a single unit rated at 340 kW. The River Bend Powerhouse, located near Central Street, contained a single unit with a total rating of 1,600 kW. On November 28, 1990, the 340 kW unit in the Bow Street Powerhouse was replaced with two generator units having capacity ratings of 236 kW G1, and 225 kW G2. The 1,600 kW unit G3, on the River Bend Powerhouse, was upgraded to 1,700 kW. On April 16, 1991, 2/ the exemption was amended to revise the project's authorized capacity from 1,940 kW to 2,161 kW.

On September 18, 1996, the New York Regional Office (NYRO) inspected the project. During the inspection, NYRO found that turbine unit G2 has been idle since 1992, because of mechanical difficulties. By a letter dated September 27, 1996, the exemptee was requested to provide a plan and schedule to restore the unit, or to file an amendment of the exemption to remove the unit from the project. The exemptee filed an application to amend its exemption on April 17, 1997, and included a revised Exhibit A for the Commission's approval.

1/ <u>See</u>, 23 FERC **¶62**,342.

2/ See, 55 FERC ¶62,037, Order Amending Exemption.

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PROJECT DETAILS

In the April 17, 1997, application, the exemptee proposes to remove existing Unit G2 from the Bow Street Powerhouse, and explains the following:

- An economic analysis of the feasibility of repairing the unit determined that, the cost to repair unit G2 would far exceed the annual revenue the turbine would produce.
- In 1985, the exemptee removed an existing generating unit G1 on the Bow Street side, and installed a Flygt unit. The unit was installed to maintain the minimum flow requirements set forth in Article 2 of the exemption. The unit is presently operating and provides the minimum compensation flow to the bypass reach.
- The removal of unit G2 will not impact the minimum flow, downstream fish passage, or other environmental resources. Turbine unit G2 was installed in 1907, rehabilitated in 1986 with used parts, and produced about 225 kW. Its maximum hydraulic capacity was approximately 200 cfs. It was only used when the river flows exceeded 1,100 cfs, which was approximately 15% of the time during a normal year.
- The work of removing unit G2 from the project would involve: removing trash-racks at intake gate, and permanently seal and secure the gate; and securing powerhouse building including doors, windows, and railings. The work will be completed by October 30, 1998.

CONSULTATION

On June 17, 1997, the Commission issued a public notice, with a comment date on August 6, 1997, concerning the exemptee's proposal. No comments, protests, or motions to intervene were filed. In addition, the exemptee contacted the New Hampshire Department of Environmental Services, New Hampshire Fish and Game Department, and the United States Fish and Wildlife Service. They have no objections or questions on the amendment, and removal of the idle unit. They requested the exemptee to maintain the required flow to the bypass reach, and follow all environmental requirements in the exemption.

In a letter dated July 7, 1997, to the exemptee, staff requested comments from the New Hampshire State Historic preservation office (SHPO). The comments were required pursuant to Article 6 of the exemption, and prior to the removal of any Project No. 3760-007 -3-

equipment. In the letter, staff made a proposed determination that the exemptee's proposal will have no effect on cultural resources. In a letter dated July 29, 1997, the exemptee included SHPO's response stating that, since none of the existing equipment is historically significant, they do not object to the amendment application.

DISCUSSION

The following summarizes staff's review of the application:

Environmental Impacts In our review of the filings, we find that the environmental impacts from removing the turbine would be negligible because it would not involve ground disturbing activities. Removing the turbine would have no effect on minimum flows, fish passage, water quality, or historic properties. The exemptee consulted with the U.S. Fish and Wildlife Service, New Hampshire Fish and Game Department, New Hampshire Department of Environmental Services and the New Hampshire Division of Historical Resources's State Historic Preservation Officer concerning removal of the turbine. There are no objections to the proposed action.

Installed Capacity The removal of unit G2 will result in a reduction of the total installed capacity of the project by 225 kW. The revised exhibit A describes two powerhouses, each contains a single generating unit rated at 236 kW (G1), and 1,700 kW (G3), for a total rated capacity of 1,936 KW.

Exhibit Revisions While reviewing this amendment proposal, staff found minor inconsistencies on prior approved exhibits. An Order Approving As-Built Exhibits, issued April 25, 1991, 3/ labeled exhibits F-1 through F-5, as drawing Nos. 11 through 15, which show project features. The order also approved Exhibit G-1, as drawing No. 16 that shows the project boundary. However, Section 4.107 of the Commission's Rules and Regulations identifies Exhibit B drawings to show the project boundary, and land ownership, and Exhibit G drawings to show the structures and equipment necessary for features. Therefore, to resolve the discrepancy, this order will reassign new exhibit numbers to the approved exhibits. This order relabels exhibits F-1 through F-5, as G-1 through G-5 to show the project features, and exhibit G-1, as B-1 to show the project boundary. Ordering paragraph (D) summarizes the reassigned The exemptee is not required to file aperture exhibits. cards for the reassigned exhibits. However, the removal of unit G2 will affect exhibit drawings G-1 and B-1 (formerly

^{3/} See, 55 FERC ¶62,066, Order Approving As-Built Exhibits.

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labeled as F-1 and G-1, approved by the April 25, 1991 order). Therefore, within 90 days of issuance of this order, the exemptee must submit for approval revised exhibits reflecting the removal of unit G2 from the project.

This order will amend the exemption for the Steven's Mill Project, to allow the removal of generating unit G2 from the Bow Street Powerhouse. This order approves the revised exhibit A, which conforms the Commission's Rules and Regulations. This order also requires the exemptee to file revised exhibit drawings for the Commission's approval.

The Director orders:

(A) The exemption for the Stevens Mill Project, FERC No. 3760, is amended as provided by this order, effective the first day of the month in which this order is issued.

(B) The project Description in the exemption is revised, in part, to read:

(2) Project works consisting of": . . ; (5) The River Bend Powerhouse containing Unit 3, rated at 1,700 kW;
(6) The Bow Street Powerhouse at the North river bank containing a single Flyght, vertical Kaplan Unit 1, rated at 236 kW . . . "

(C) The revised exhibit A, filed on April 17, 1997, conforms to the Commission's rules and regulations and is approved and made part of the license, superseding the existing exhibit A.

(D) The following table reassigns to previously approved exhibit drawings new FERC exhibit numbers:

OLD Exhibit No	REASSIGNED EXHIBIT No.	FERC DRAWING No.	DRAWING TITLE
F-1	G-1	3760-11	PROJECT GENERAL ARRANGEMENT
F-2	G-2	3760-12	UNIT III- INTAKE PLAN
F-3	G-3	3760-13	UNIT III- INTAKE SECTIONS
F-4	G-4	3760-14	UNIT III-POWERHOUSE SECTION
F-5	G-5	3760-15	UNIT III- POWERHOUSE PLAN
G-1	B-1	_3760-16	PROJECT BOUNDARY

Table 1

(E) Within 90 days of the date of issuance of this order, the exemptee will file for approval an original and eight copies Unofficial FERC-Generated PDF of 19980824-0344 Issued by FERC 0SEC 08/20/1998 in Docket#: P-3760-007

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of revised exhibit G-1 and B-1 drawings showing the as-built conditions of the project.

(F) The exemptee will report to the Commission any future proposed changes to the project prior to implementing them.

(G) This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order, pursuant to 18 C.F.R. § 385.713.

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Carol L. Sampson Director Office of Hydropower Licensing