

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

City of Batesville, Arkansas

Project No. 4204-023

ORDER AMENDING LICENSE AND REVISING ANNUAL CHARGES
UNDER ARTICLE 29

(Issued September 10, 2001)

On April 26, 2001, the Law Offices of GKRSE, on behalf of the City of Batesville, Arkansas (licensee), filed an application to amend the authorized capacity for the White River Lock and Dam No. 1 Project, FERC No. 4204. The project is to be located on the White River, in Independence County, Arkansas.

BACKGROUND

The original license for the project was issued on February 28, 1986,¹ and authorized the project to construct a single powerhouse containing three turbine-generator units with a total rated capacity of 6,825 kW. On April 4, 1989,² the Commission amended the license to reduce the number of generating units, from three to one, and to revise the total capacity of the project to 6,029 kW.

REVIEW

In the application, the licensee proposes to install a single 3,900 kW vertical Kaplan turbine instead of a single 6,029 kW horizontal Kaplan turbine at the project. The licensee plans to develop a project that is marketable from an economic perspective, and the lower installed capacity would yield in a lower cost per unit of energy produced by

¹ 34 FERC ¶ 62,439, Order Issuing Unconstructed License (Major).

² 47 FERC ¶ 62,004, Order Amending License and Revising Annual Charges.

the project.³ A power purchaser has been identified that has expressed a willingness to sign a power purchase agreement based on the 3,900 kW development.

The licensee also indicates in the filing the powerhouse configuration will remain the same. However, the design flow for the proposed unit will be reduced from 7,140 cfs to 3,180 cfs. The estimated average annual energy for the proposed unit would be 25,000 megawatt hours.

The following summarizes staff's review of the application:

A. Consultation:

On June 13, 2001, the Commission issued a public notice concerning the proposed amendment. The deadline for filing comments or motions to intervene was July 3, 2001. In a letter filed July 5, 2001, the U.S. Department of the Interior indicated that they have reviewed the information provided and have no comments on the proposed application. No other comments or motions to intervene were received. The White River flow in excess of the proposed turbine flow will be discharged over Dam No. 1. The licensee has received a Section 404 permit from the U.S. Army Corps of Engineers, and a Section 401 permit from the Arkansas Department of Environmental Quality pursuant to the Clean Water Act.

B. Environmental Impacts:

Construction and operation of the project, with the smaller generating unit proposed herein, would not result in any additional adverse impacts to the environment over those identified in Commission staff's environmental assessment, dated August 14, 1985, for the original license application. With a 55-percent reduction in flow through the generator unit and increased duration of spillage, it is expected that the proposed project change would result in less entrainment and impingement of reservoir fishes and less impact to downstream water quality than was identified during processing of the original application for license. With adherence to the existing license conditions, approval of the proposed action herein would not result in any significant impacts to the quality of the human environment.

³ In an unpublished order dated December 14, 1999, the Commission extended the start of construction to February 27, 2002.

C. Annual Charges

The proposed amendment would result in a reduction of the total authorized capacity of the project from 6,029 kW to 3,900 kW. Therefore, this order will revise Article 29 of the license regarding the annual charges for the purpose of reimbursement to the United States for the cost of administration of Part I of the Federal Power Act. The annual charges for the project will be based on an installed capacity of 3,900 kW, effective the first day of the month in which this order is issued.

The proposed amendment will revise ordering paragraph (B)(2) of the license, which will amend the rated capacity of the unit. The licensee should file for approval revised exhibits A and F upon completion of construction of the project in accordance with Article 34 of the license.

Staff concludes that the approval of the amendment application does not materially affect the Commission's determination that the White River Lock and Dam No. 1 Project is best adapted to the comprehensive development of the waterway. This order amends the license and revises the annual charges for the project.

The Director orders:

(A) The application for amendment of license for the White River Lock and Dam No. 1 Project, FERC 4204, filed April 26, 2001, is approved effective the date this order is issued.

(B) The project description in ordering paragraph (B)(2)(3) of the license is revised, in part, to read:

(d) a powerhouse containing a single generating unit rated at 3,900 kW;...

(C) Article 29 of the license is revised to read:

The licensee shall pay the United States the following annual charge, effective the first day of the month in which this order is issued.

For the purpose of reimbursing the United States for the Commission's administrative costs, pursuant to Part I of the Federal Power Act, a reasonable amount as determined in accordance with the provisions of the Commission's regulations in effect from time to time. The authorized existing installed capacity for that purpose is 3,900 kW.

(D) This order constitutes final agency action. Request 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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