

Upper Peninsula Power Company 800 Greenwood Street Ishpeming, MI 49849 www.UPPCO.com

**Electronically Filed** 

August 24, 2021

FERC Project No. P-10855

Ms. Kimberly D. Bose, Secretary The Federal Energy Regulatory Commission 888 First Street NE Washington, DC 20426

Dear Secretary Bose:

## **Dead River Hydroelectric Project – Silver Lake & Hoist Developments** <u>Articles 402, 403 & 405: Dry Year Consultation – Interim Update</u>

On August 11, 2021, Upper Peninsula Power Company (UPPCO) notified the Federal Energy Regulatory Commission (FERC or Commission) about the Dead River Hydroelectric Project (Project) entering into the Dry Year Consultation Process as outlined in the Operations Monitoring Plan approved under the Order Modifying and Approving Article 405 Operations Plan dated March 11, 2010, and the Order Amending Article 405 Operations Monitoring Plan dated August 4, 2010 (Operations Plan).

UPPCO continues consultation with the Michigan Department of Natural Resources (MDNR), the Michigan Department of the Environment, Great Lakes, and Energy (EGLE), the U.S. Fish and Wildlife Service (FWS), the Keweenaw Bay Indian Community (KBIC), and the Dead River Campers Inc. (DRCI) to determine the appropriate temporary modifications to the operating requirements of Article 402 and 403 due to the dry year conditions. Operational changes have been presented as part of every consultation; reducing minimum flows to mitigate impacts to reservoir elevations or maintain minimum flows to avoid potential impacts to downstream reaches. Based on pervious dry year operations, UPPCO has recommended and continues to recommend a reduction in minimum flows, which continues to be supported by the DRCI (July 8, 2021, email provided in previous filing). Following the dry year consultation provided on August 16, 2021, UPPCO received responses on August 16 and 17, 2021, from the MDNR, EGLE and the FWS requesting UPPCO maintain minimum flows. Documentation of the continued consultations are included in Appendix 1.

UPPCO is currently operating to maintain minimum flows.

The Commission staff has verbally reminded UPPCO that deviations extending beyond three weeks require the Licensee to file for a temporary variance from the license conditions. Since the outlook for dry year consultation will extend beyond three weeks, UPPCO is preparing a separate request for a temporary variance from the requirements of Article 402 (*Storage Basin Levels*) and possibly the requirements of Article 403 (*Minimum Flows*).

UPPCO will consult with the MDNR, EGLE, and FWS prior to filing the separate request for a temporary variance. While the future temporary variance request is being developed and being considered by the Commission, UPPCO will continue to operate as recommended by the MDNR,

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EGLE, and FWS, with consideration to the requests of the KBIC and DRCI. Regular updates under the dry year consultation process will continue.

If the consulting entities decide to reduce minimum flow requirements in the future as part of the dry year consultation process, prior to the Commission making a decision on the future temporary variance filing, UPPCO will again file an updated interim report describing the operational changes.

If you have any questions about material presented in this letter, please do not hesitate to contact Josh Ball at (906) 485-2419.

Sincerely,

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Virgil Schlorke Director - Generation and Environmental Services

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Enclosure: Appendix 1: Documentation of Consultation

cc: Mr. Matt Annala, UPPCO Mr. Josh Ball, UPPCO Mr. Doug Clements, EGLE Mr. Jim Grundstrom, DRCI Ms. Elle Gulotty, MDNR Mr. Scott Hicks, FWS Mr. Gary Kohlhepp, EGLE Mr. Gene Mensch, KBIC Mr. Shawn Puzen, Mead & Hunt Ms. Emily Rushford, UPPCO