

STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY LANSING



March 14, 2019

VIA E-MAIL

Mr. Virgil Schlorke Upper Peninsula Power Company 1002 Harbor Hills Drive Marguette, Michigan 49855

Dear Mr. Schlorke:

SUBJECT: Dead River Hydroelectric Project - Silver Lake, Hoist, and McClure Developments

Federal Energy and Regulatory Commission (FERC) Project #P-10855: Planned Deviation Request of Start of Month Targets and Minimum Elevation - Article 402

Michigan Department of Environmental Quality (MDEQ) Comments

On February 27, 2019, the Upper Peninsula Power Company (UPPCO) submitted a request for planned deviations at Silver Lake Storage Basin (SLSB). The reason for UPPCO's request is that the snow on the ground is significantly higher than normal throughout the Dead River watershed. The UPPCO is being proactive and taking reasonable steps to lower the impoundment to the target elevation in summer. The MDEQ supports the Planned Deviation Request and has no objections.

License Requirements

Per Articles 402 and 403 of the license issued October 4, 2002, for the Dead River Hydroelectric Project, and amended January 24, 2006, and September 1, 2011, the UPPCO is required to operate the existing project impoundments to achieve the start of month target elevations and maintain the required minimum flows, respectively, at each of the project developments. Article 402, in part, requires the UPPCO to maintain the Dead River Storage Basin (DRSB) and SLSB above the license minimum elevations to minimize erosion due to high water levels and enhance recreational opportunities and aesthetics. If natural conditions cause the DRSB to exceed an elevation of 1,341 feet National Geodetic Vertical Datum (NGVD), then the UPPCO must take all reasonable steps to lower the impoundment to the target elevation. The UPPCO may temporarily modify water surface elevations and releases from the project if required by operating emergencies beyond the UPPCO's control, or for short periods upon mutual agreement between the UPPCO, MDEQ, Michigan Department of Natural Resources (MDNR), and the U.S. Fish and Wildlife Service (USFWS). Consultations during the adverse conditions shall continue, following a mutually agreed upon schedule with the MDEQ, MDNR, and USFWS. Upon cessation of the adverse conditions, the UPPCO must resume the normal project operating water levels and releases.

Ordering paragraph (D) of the Order Modifying and Approving Article 405 Operations Monitoring Plan (2010 Order), states that in the event natural conditions cause the Hoist Reservoir to exceed an elevation of 1,341 feet NGVD, the UPPCO must take all reasonable steps to lower the impoundment to the target elevation using increased turbine discharge and/or discharge through the low-level outlet. The UPPCO must implement one or both measures based on the circumstances of the extreme high water.

<u>UPPCO's Planned Deviations Request and MDEQ Comments</u>

The MDEQ concurs with the operation changes for the project in the SLSB and approves the following:

- 1. Lower the April Minimum Elevation to 1,333.5 feet NGVD
- Lower the April Start of Month Target Elevation to 1,334 feet NGVD.

The UPPCO should continue the assessment of current snowpack information and weather forecasts. If conditions significantly change, the UPPCO should send an update to the MDEQ and MDNR about the water level in both the SLSB and DRSB.

We appreciate the opportunity to comment on the request for planned deviation. If you have any questions, please feel free to contact me at 517-284-5541; ouna@michigan.gov; or MDEQ, P.O. Box 30458, Lansing, Michigan 48909-7958.

Sincerely,

Amira Oun, Environmental Engineer Surface Water Assessment Section

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Water Resources Division

cc: Ms. Kimberly D. Bose, FERC

Mr. Kyle Kruger, MDNR

Mr. Gary Kohlhepp/Section 401 File, MDEQ