UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Stora Enso North America

101 FERC ¶ 62,196 Project No. 2536-057

ORDER MODIFYING AND AMENDING WATER QUALITY MONITORING PLAN

(Issued December 24, 2002)

On November 28, 2001, Stora Enso North America (SENA or licensee), licensee for the Little Quinnesec Falls Hydro Project, ¹ filed a request to amend its water quality monitoring plan concurrent with filing their 2001 annual monitoring report. The original water quality monitoring plan was approved by Order Approving Water Quality Monitoring Plan (1999 Order), ² filed pursuant to license article 406. The Little Quinnesec Falls Project is located on the Menominee River near the City of Niagara in Marinette County, Wisconsin and Dickinson County, Michigan.

BACKGROUND

The 1999 Order requires the licensee to monitor water quality parameters from May through September for two years. If, after two years, monitoring data suggests that water quality problems do not exist, the licensee, in consultation with the agencies, would pursue modifications or elimination of article 406 from the license.

LICENSEE'S PROPOSAL

After much consultation with the resource agencies, SENA now proposes to alter the frequency of water quality monitoring at the project site based upon an agency agreed-to timetable. Attached to its proposal, SENA submitted the 2001 water quality monitoring results, which will represent the start of a 20-year study.

<u>The Study Scope:</u> The monitoring station will remain located in the project tailrace, upstream of the SENA - Niagara Mill wastewater treatment discharge point. Continuous monitoring equipment will record on an hourly basis - water temperature, dissolved

¹ See 79 FERC ¶ 62,095 (issued May 7, 1997).

² See 88 FERC ¶ 62,002 (issued July 1, 1999).

oxygen (DO) concentration, and pH. The test parameters and monitoring schedule are consistent with the previous study.

Monitoring will occur during May through September. Monitoring commenced in 2001. The next monitoring year will occur in 2006, then at a frequency of every five years for a twenty-year period (2001, 2006, 2011, 2016, and 2021). This schedule reflects existing evidence from the two-year study and data gathered during relicensing of the project, which shows no water quality problems at the project, along with consultation with the U.S. Fish and Wildlife Service (FWS), Wisconsin Department of Natural Resources (WDNR), and Michigan Department of Natural Resources (MDNR). If no adverse water quality issues are observed during this twenty-year monitoring effort, the resource agencies agree to allow elimination of license article 406.

<u>Low DO Events</u>: If, during continuous monitoring, a low DO event is recorded, recordings at one-meter intervals will be taken throughout the water column in a deep part of the impoundment immediately upstream from the project. This measure is to determine if water entering the project is contributing to the event. The state and federal agencies will be notified by telephone or e-mail within five working days. The results of the profile sampling and any circumstances that may have caused the event will be reported to the resource agencies within thirty working days and summarized in the monitoring report to be filed by November 30.

If monitoring data supports the conclusions that the low DO event is related to the operation of the project, SENA will consult with the resource agencies on any revisions to the monitoring plan considered appropriate and approved by the Commission.

Quality Assurance Program: Continuous monitoring equipment will be calibrated periodically during the water quality monitoring period using appropriate methodology noted in "Standard Methods for the Examination of Water and Wastewater", 18th Edition: Temperature - Method 2550 B; Dissolved Oxygen - Method 4500-0 C; and pH - Method 4500 - H+.

Reporting: Data from the continuous monitoring will be electronically recorded and stored at SENA's Niagara Mill. The Commission, USFWS, WDNR, MDNR, and Michigan Department of Environmental Quality (MDEQ) will receive a report with supporting data no later than November 30 of the monitoring year (every five years). As noted above, the resource agencies will be notified of low DO events within five working days from the date of the occurrence, with the results of the profile sampling within thirty days.

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AGENCY COMMENTS & LICENSEE'S RESPONSE

On November 3, 2000, the licensee provided the 2000 water quality monitoring report and requested agency comments on whether further sampling would be needed. By letter dated November 15, 2000, the MDNR reported there was an obvious lack of data, especially in the months of May, June, and July. MDNR recommends monitoring water temperature, DO, and pH in May, June, and July of 2001. By letter dated December 13, 2000, the WDNR supported all comments provided in the MDNR's November 15, 2000 letter.

SENA completed the recommended 2001 monitoring and provided the data, citing no water quality problems to the resource agencies, with the request to suspend future water quality monitoring based on the data. However, by letter dated September 13, 2001, the MDNR stated that article 406 should be retained in the license and that future water quality monitoring is necessary because to eliminate the monitoring too soon would be overly presumptuous. MDNR recommends that the frequency of water quality monitoring be reduced to every three to five years over the term of license to confirm that the project is being operated within state standards. MDNR says if water quality levels exceeding state standards are detected, SENA should develop a plan for remedial action, in consultation with the resource agencies.

By letter dated September 24, 2001, the FWS provided the same recommendations as the MDNR and WDNR provided in their September 13, and September 25, 2001 letters, respectively.

Subsequently, SENA recommended monitoring water quality parameters at the 2001 site in five years (2006) and thereafter monitor the tailwater every ten years up to year 2036. Again, by letters dated October 16, 2001, respectively, the WDNR and MDNR, rejected SENA's proposal to monitor every ten years and recommended monitoring every five years.

SENA has adopted the agencies recommendation to monitor water quality parameters every five years, starting in 2001, for the next twenty years. In return, the resource agencies agree that if no project-related water quality problems (DO, pH, temperature) are detected during this time period, then article 406 will be automatically eliminated for the balance of the license term.

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DISCUSSION

Currently, the license expires in year 2037 with article 406 written with the intention to monitor water quality for the term of license. The resource agencies, however, concur with suspending water quality monitoring after 20 years (2021), if monitoring results indicate no problems. SENA should file water quality monitoring reports with the resource agencies by November 30 every five years for the next twenty years, with the next report due in 2006. The licensee should allow the agencies at least 30 days to review the report and provide their comments. The licensee should then file the report, including the agency comments, for Commission approval by January 30 of the following year.

The final monitoring report (due to the agencies by November 30, 2021) should include recommendations from the licensee on the need for future water quality monitoring and the filing of monitoring reports. The licensee should again allow the agencies at least 30 days to review the report and provide their comments and recommendations. If the licensee does not agree with an agency recommendation, it should include its reasons based on project-specific information. The final report should be filed with the Commission by January 30, 2022, and should include recommendations for Commission approval on the need for future water quality monitoring and the filing of monitoring reports.

The licensee's proposed plan will be adequate to monitor the project's compliance with state water quality standards and will adequately protect project water quality. Therefore, SENA's plan with the above stated modification should be approved.

The Director's Orders:

- (A) The licensee's November 28, 2001 request to amend its water quality monitoring plan under article 406 of its license is approved as modified by paragraph (B) below.
- (B) The licensee shall file water quality monitoring reports with the U.S. Fish and Wildlife Service (FWS), the Wisconsin Department of Natural Resources (WDNR), the Michigan Department of Natural Resources (MDNR), and the Michigan Department of Environmental Quality (MDEQ), by November 30 every five years for the next twenty years, with the next report due to the agencies in 2006. The licensee shall allow the consulted agencies at least 30 days to review the report and provide their comments. The licensee shall file the five-year reports, including the agency comments, with the Commission for approval, by January 30 of the following year, with the next report due to the Commission on January 30, 2007.

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The final monitoring report (due to the agencies by November 30, 2021) shall include recommendations from the licensee on the need for future water quality monitoring and the filing of monitoring reports. The licensee shall allow the agencies at least 30 days to review the report and provide their comments and recommendations. If the licensee does not agree with an agency recommendation, it should include its reasons based on project-specific information. The final report shall be filed with the Commission by January 30, 2022, and shall include recommendations for Commission approval on the need for future water quality monitoring and the filing of monitoring reports.

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

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