



THE DEPUTY SECRETARY OF THE INTERIOR
WASHINGTON

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Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
Mail Code: PJ-12
888 First Street, NE
Washington, DC 20426

Dear Secretary Bose:

This letter is in response to your request for assessment of compatibility, within 60 days, of the proposed Mississippi Lock and Dam No. 2 project amendment of hydropower license (FERC Project No. 4306-017) with the Comprehensive Management Plan (CMP) for the Mississippi National River and Recreation Area (MISS), a unit of the national park system, in accordance with 16 U.S.C. § 460(zz) (3), the enabling legislation for the MISS.

The NPS Organic Act (16 U.S.C. §§ 1 *et seq.*) provides the National Park Service (NPS), a bureau of the Department of the Interior, with the direction to manage national parks in such a way that conserves the scenery and the natural and historic objects and the wildlife therein and provides for the enjoyment of the same in such a manner and by such a means as will leave them unimpaired for the enjoyment of future generations. NPS consistently interprets the Organic Act through its management policies (*Management Policies 2006*), which establishes the process to consider new uses of resources within national parks. Superintendents, in exercising their discretionary authority, are charged with the responsibility to allow new uses that are (1) appropriate to the purpose for which the park was established, and (2) can be sustained without causing unacceptable impacts.

The City of Hastings (Applicant) and Hydro Green Energy are proposing to install a new, hydrokinetic turbine array (HKTA) within the tailrace of the existing hydropower project to provide for additional generating capacity at Lock and Dam No. 2 and within the MISS. If approved, this would be the first commercially operated HKTA facility to be licensed in the United States. Many similar projects proposed on other river systems have received preliminary permits, giving the proposer authorization to study a project at a specified site for up to three years, but not to undertake new construction. FERC also provides the option to construct and test new technologies, while minimizing the risk of adverse environmental impacts, under a 3-5 year pilot hydrokinetic project license. In this situation, FERC is considering issuing a license amendment that will extend the project for 25 years, through 2033.

At this time, I am not able to assess the implications of moving forward with this new and untested technology within a national park without adequate study of the project's impacts. A determination of compatibility is problematic because the impacts on park values and resources are unknown. National parks, by their very nature, are not the location for testing new and unproven technologies

that have unknown impacts. The allowance of this activity could have unintended consequences for this and other units of the national park system.

The Federal Energy Regulatory Commission (FERC) itself has acknowledged these technologies are unproven and that there is very limited knowledge of their environmental effects. These findings are bolstered by the draft report entitled "The Potential Environmental Impacts of Marine and Hydrokinetic Renewable Energy Technologies: A Report to Congress Pursuant to Section 633(b) of the Energy Independence and Security Act of 2007 (P.L. 110-140)," prepared by the Wind and Hydropower Technologies Program, U.S. Department of Energy. This report indicates that this technology is not yet in general use, and the environmental impacts associated with the technology are largely unknown.

Without adequate knowledge of the project's impacts, we are not able to determine if the HKTA is an appropriate use of national park resources or compatible with the MISS CMP. To make that determination, the technology would need to be carefully tested, its impacts better understood and additional adaptive measures developed for the project, as outlined in the Department's response to the project's environmental assessment (attached). Should FERC license this project under the pilot license permit program, the NPS is willing to postpone a determination of compatibility until thorough testing and analysis of the pilot project is complete. These measures are in accordance with FERC's strategic plan (FERC, 2006), its guidance for Licensing Hydrokinetic Pilot Projects (April 14, 2008) under Part 1 of the Federal Powers Act and with FERC's Policy Statement on Conditioned Licenses for Hydrokinetic Projects (November 30, 2007).

As we indicated in our June 2008 comments, a 3-5-year pilot project license as proposed by FERC for small, new hydropower technologies is more appropriate for this project than an amendment of the current license. This would enable the Applicant to conduct necessary studies while minimizing the risk of adverse environmental impacts that might result from the operation of this new technology. If, at the conclusion of this period, FERC finds any adverse environmental effects of the technology to be minimal or easily mitigated, we at that time would be willing to issue a determination of compatibility and appropriateness for the project within the Mississippi National River and Recreation Area.

I welcome the opportunity to discuss further these and the Department's Environmental Assessment comments, as well as the larger issue of licensing new technologies that have potential to provide clean, carbon-free energy and reduce greenhouse gas emissions while minimizing impacts to our nation's great national parks.

Sincerely,



P. Lynn Scarlett
Deputy Secretary