

## **1.0 INTRODUCTION**

### **1.1 Application**

The Power Authority of the State of New York (Power Authority) filed an application for a new license on August 18, 2005, and an Offer of Settlement on August 19, 2005, to continue to operate and maintain the 2,755-megawatt (MW) Niagara Project. The Niagara Project includes the Robert Moses Niagara Power Plant (Robert Moses Plant) and the Lewiston Pump Generating Plant (Lewiston Plant) and is located on the Niagara River in Niagara County, New York (figure 1-1). The project does not occupy any federal land.

### **1.2 Purpose of Action and Need for Power**

#### **1.2.1 Purpose of Action**

Pursuant to the Federal Power Act, the Federal Energy Regulatory Commission (FERC or Commission) issues licenses for terms of 30 to 50 years for the operation and maintenance of non-federal hydroelectric projects. The current license for the Niagara Project will expire on August 31, 2007, and the Power Authority has applied for a new license.

The Commission must decide whether to issue a new license for the project and what conditions to place on any license issued. When licensing a hydroelectric project, the Commission must ensure, among other things, that the project will be best adapted to a comprehensive plan for improving or developing a waterway. In addition to the power and developmental purposes for which licenses are issued (e.g., flood control, irrigation, water supply), the Commission must give equal consideration to the purposes of energy conservation, the protection, mitigation of damage to, and enhancement of fish and wildlife (including related spawning grounds and habitat), the protection of recreational opportunities, and the preservation of other aspects of environmental quality. This Draft Environmental Impact Statement (DEIS) assesses the environmental and economic effects of: (1) operating the Niagara Project as the Power Authority proposes; (2) staff alternative; and (3) no action.

#### **1.2.2 Need for Power**

The Niagara Project has an installed capacity of 2,755.5 MW that produces a net average of about 13,700,000 megawatt-hours (MWh) of electric energy per year that is used by municipally-owned electric systems and rural electric cooperatives throughout New York, to businesses, to neighboring states and to three upstate private utilities for

## **Non-Internet Public**

### **FINAL ENVIRONMENTAL IMPACT STATEMENT FOR HYDROPOWER RELICENSING**

Niagara Project  
Docket No. P-2216-066

Page 2  
Figure 1-1

Public access for this Non-Internet Public information is available only through the  
Public Reference Room, or by e-mail at  
[public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov)

resale to their residential customers. The power sold through municipally-owned electrical systems, rural cooperatives and private utilities is passed along to residential customers at cost. Project power is also sold to the out-of-state customers at cost.

The project is located in the Northeast Power Coordinating Council (NPPC) region of the North American Electric Reliability Council (NERC). The peak demand for the NPCC area is projected to grow at an average annual compound rate of 2.28 percent over the 10-year planning period from 2004 through 2014 (NERC, 2005).

The power from the project would continue to be useful in meeting a part of the regional need for power. The project would displace some of the fossil-fueled electric power generation the regional utilities now use, and thereby conserve nonrenewable resources and reduce the emission of noxious byproducts caused by fossil fuel combustion.

### **1.3 Consultation**

#### **1.3.1 Scoping**

Staff conducted two public scoping meetings on August 13, 2003, at the Niagara Falls High School, Niagara Falls. Scoping Document 1 was distributed on August 4, 2003 and the deadline for filing scoping comments was October 14, 2003. Following the scoping meetings and the public comment period on Scoping Document 1, a Scoping Document 2 was distributed on December 30, 2003. In addition to comments received at the scoping meetings, the following entities provided written comments:

<u>Scoping Document No. 1:</u>	<u>Date Filed</u>
Lewiston Town Supervisor Sandra Jo Masslen	August 21, 2003
New York State Department of Environmental Conservation	September 4, 2003
U.S. Fish and Wildlife Service	September 12, 2003
U.S. Department of the Interior	October 10, 2003
Tuscarora Nation	October 13, 2003
Power for Economic Prosperity Group	October 13, 2003
Niagara Power Coalition	October 14, 2003
New York Municipals	October 14, 2003
Seneca Nation	October 14, 2003
Public Power Association of New Jersey	October 14, 2003
Niagara University	October 14, 2003
Friends of the Buffalo Niagara Rivers	October 20, 2003

Scoping Document No. 2:  
Bureau of Indian Affairs  
Niagara Power Coalition

Filing Date  
January 15, 2004  
January 30, 2004

On August 26, 2005, the Commission issued a notice that the application and Offer of Settlement had been filed (tendering notice). In response to this notice, approximately 169 entities and individuals filed comments. The majority of those commenting requested that the Power Authority provide additional compensation to the City of Buffalo and Erie County for indirect socioeconomic effects that they allege the project has on those areas. On June 30, 2006, the Power Authority filed with the Commission a supplemental agreement that it has entered into with the City of Buffalo and Erie County. Similarly, on May 26, 2006, the Power Authority filed an agreement with Niagara University.

### **1.3.2 Interventions**

On October 19, 2005, the Commission issued a notice accepting the Power Authority's application to relicense the project. This notice set a 60-day period during which interventions and protests could be filed.

The following entities filed interventions. Interventions in opposition are marked with an asterisk.

<u>Entity</u>	<u>Filed Date</u>
New York Association of Public Power and New York State Rural Electric Cooperative Association	September 8, 2005
New York State Department of Environmental Conservation	September 8, 2005
Newfane Central School District	September 9, 2005
City of Tonawanda School District	October 12, 2005
Power for Economic Prosperity	October 24, 2005
Niagara Mohawk Power Corporation	October 25, 2005
International Brotherhood of Electrical Workers, Local 2104	October 26, 2005
North Tonawanda City School District	November 1, 2005
New York State Electric and gas Corporation & Rochester Gas and Electric Corporation	November 3, 2005
Niagara Improvement Association *	November 21, 2005
U.S. Department of Interior	November 22, 2005

<u>Entity</u>	<u>Filed Date</u>
Williamsville Central School District	November 30, 2005
Municipal Electric Utilities Association of New York	December 1, 2005
City of Buffalo * (opposition withdrawn July 12, 2006)	December 15, 2005
Economic Development Group	December 15, 2005
County of Erie * (opposition withdrawn July 11, 2006)	December 16, 2005
Massachusetts Department of Telecommunications and Energy	December 16, 2005
Massachusetts Municipal Wholesale Electric Company	December 16, 2005
Allegheny Electric Cooperative	December 16, 2005
Pascoag Utility District	December 19, 2005
Rhode Island Public Utilities Commission	December 19, 2005
The Buffalo Olmsted Parks Conservancy	December 19, 2005
Town of Lewiston	December 19, 2005
Connecticut Municipal Electric Energy Cooperative	December 19, 2005
City of Cleveland, Ohio	December 19, 2005
Eastern Niagara Power Project Alliance *	December 19, 2005
City of North Tonawanda and the Chamber of Commerce of the Tonawandas, Inc. *	December 19, 2005
Crandall Johnson	December 19, 2005
Niagara University * (opposition withdrawn May 30, 2006)	December 19, 2005
Tonawanda Band of Senecas	December 19, 2005
Tuscarora Nation	December 19, 2005
County of Westchester and the County of Westchester Public Utility Service Agency *	December 19, 2005
Niagara Power Coalition	December 20, 2005
City of New York *	December 20, 2005
Upper Mountain Volunteer Fire Company	December 28, 2005
Public Power Coalition *	April 10, 2006

The Power Authority filed responses to the interventions and protests on January 3, 2006.

### **1.3.3 Comments on the Application**

On February 7, 2006, the Commission issued a notice that the application was ready for environmental analysis and solicited comments, terms and conditions, recommendations and prescriptions. The following entities filed comments:

<u>Entity</u>	<u>Filed Date</u>
U.S Department of the Interior	March 24, 2006
New York State Electric & Gas Corp. and Rochester Gas & Electric	April 4, 2006
Niagara Improvement Association	April 7, 2006
Eastern Niagara Power Project Alliance	April 10, 2006
Public Power Coalition	April 10, 2006
Niagara University	April 10, 2006

These comments are addressed in the appropriate resource area sub-sections of section 3.0 of this DEIS. Some of the comments address project power allocation and other jurisdictional and legal issues, which we do not address in this DEIS. As appropriate, these issues will be addressed in any order issued for this licensing proceeding.

By letter filed May 22, 2006, the Power Authority filed a response to the comments, terms, conditions, recommendations, and prescriptions.

#### **1.3.4 Comments on the Draft Environmental Impact Statement**

On July 14, 2006, Commission staff issued a draft EIS for the Niagara Project. Comments on the draft EIS were due on September 19, 2006.

On August 17, 2006, Commission staff held two public meetings in Niagara Falls, NY to receive public comments on the draft EIS. A total of approximately 150 people attended the meetings and a total of 40 individuals made oral comments at the meetings. A court reporter recorded all comments and statements made at both meetings. All comments and statements have been considered in this EIS and have been made a part of the Commission's public record for this project. The comments made at the meeting covered the same range of topics as the written comments noted below: appropriateness of a 50-year license term, satisfaction or dissatisfaction with the Power Authority's Offer of Settlement (including the Relicensing Agreement and the other side agreements), and the scope of staff's analysis with regard to various resource areas, but especially socioeconomics (including power allocation), water and aquatic resources.

Written comments on the draft EIS were filed by the following entities. We respond to these written comments in the attached Appendix A, and have revised the EIS as appropriate:

<u>Entity</u>	<u>Filed Date</u>
U.S. Department of Commerce	August 8, 2006
William L. Ross	August 22, 2006
Anonymous	August 22, 2006
Rena Kimble	August 22, 2006
Ronald H. Moline	August 22, 2006
Niagara University	August 22, 2006
Edward Rutkowski	August 22, 2006
Public Power Association of New Jersey	August 22, 2006
Public Power Coalition	August 22, 2006
Lewiston-Porter Central School District	August 23, 2006
U.S Environmental Protection Agency	August 29, 2006
County of Westchester	September 1, 2006
Niagara Falls Housing Authority	September 13, 2006
Terry Yonker	September 14, 2006
U.S. Department of the Interior	September 15, 2006
New York Electric and Gas Corp. and Rochester Gas and Electric Corp.	September 18, 2006
New York Office of Parks, Recreation, and Historic Preservation	September 19, 2006
Eastern Niagara Power Project Alliance	September 19, 2006
Crandall Johnson	September 19, 2006
Seneca Nation of Indians	September 19, 2006
Public Power Coalition	September 19, 2006
Buffalo Niagara Riverkeeper	September 19, 2006
Municipal Electric Utilities Association of New York State	September 19, 2006
New York Power Authority	September 19, 2006
Mary Cooke	September 19, 2006
Town of Tonawanda	October 17, 2006
New York Power Authority	October 23, 2006

<u>Entity</u>	<u>Filed Date</u>
City of North Tonawanda	November 13, 2006
Advisory Council on Historic Preservation	November 29, 2006