



United States Department of the Interior

OFFICE OF THE SECRETARY
Office of Environmental Policy and Compliance
408 Atlantic Avenue – Room 142
Boston, Massachusetts 02110-3334



August 12, 2009

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Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E., Room 1A
Washington, DC 20426

RE: COMMENTS
Application for Preliminary Permit
Verplanck Pumped Storage Project, FERC No. 13358
Hudson River, Westchester County, New York

Dear Secretary Bose:

The U.S. Department of the Interior (Department) has reviewed the June 15, 2009, “NOTICE OF PRELIMINARY PERMIT APPLICATION ACCEPTED FOR FILING AND SOLICITING COMMENTS, MOTIONS TO INTERVENE, AND COMPETING APPLICATIONS” regarding the application for preliminary permit filed by the Riverbank USA Holdings Corporation, for the proposed Verplanck Pumped Storage Project located on the Hudson River in Westchester County, New York. The proposed project consists of the following: (1) the Verplanck Quarry (upper reservoir); (2) four 13-foot diameter vertical penstocks leading to a powerhouse 2,000 feet underground; (3) a powerhouse containing four 250-megawatt (MW) units with a total installed capacity of 1,000 MW; (4) water leaving the turbines would be temporarily stored in six underground storage galleries (lower reservoir); and, (5) a new double circuit 345-kilovolt transmission line, approximately 1 mile long. The estimated average annual energy production would be 2,190 gigawatt-hours.

Fish and Wildlife Resources

The following comments and recommendations are submitted pursuant to the Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661 et seq.).

The proposed Verplanck Pumped Storage Project could have an adverse impact on existing fish and wildlife resources and their habitats. The Department would be opposed to any hydroelectric construction or operation that would destroy or seriously degrade fish and wildlife resources and associated habitats in or near the Hudson River. We recommend that the permittee be required to coordinate with the U.S. Fish and Wildlife Service (Service) to consider development and operations that would be compatible with existing fish and wildlife resources.

Threatened and Endangered Species

As you are aware, Federal agencies, including the Federal Energy Regulatory Commission (FERC), have responsibilities under Section 7(a)(2) of the Endangered Species Act of 1973 (ESA) (87 Stat. 884, as amended; 16 U.S.C. 1531 *et seq.*) to consult with the Service regarding projects that may adversely affect Federally-listed species or “critical habitat.” Pursuant to 50 CFR§402.08, the FERC may designate the Riverbank USA Holdings Corporation and/or their agents as their non-Federal representative for the purposes of conducting informal consultation for the proposed project. We anticipate that the FERC will be the lead Federal agency for consultation purposes; however, we request that you provide this information in writing.

For consultation under the ESA, the FERC and/or their non-Federal representative, should review the Service’s New York Field Office website (<http://www.fws.gov/northeast/nyfo/es/section7.htm>) to obtain a list of threatened and endangered species (by county) that may occur in the vicinity of your project, and follow the steps for Federal project review.

The bald eagle (*Haliaeetus leucocephalus*) was removed from the Federal Endangered Species List on August 8, 2007, and is no longer protected under Section 7 of the ESA; however, bald eagles remain on the New York State list as a State-listed threatened species. Bald eagles are also protected under the Migratory Bird Treaty Act (16 U.S.C. 703-712; Ch. 128; July 13, 1918; 40 Stat. 755) and the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d). If bald eagles are present in the project area, the Service recommends that you follow the Bald Eagle Management Guidelines found on our website prior to commencement of work. If you require additional information regarding threatened and endangered species and critical habitat, please contact Sandra Doran at 607-753-9334.

Any information on the potential for specific projects to impact listed species should be coordinated with both the New York Field Office and with the New York State Department of Environmental Conservation (NYSDEC). The NYSDEC contact for the Endangered Species Program is Mr. Peter Nye, Endangered Species Unit, NYSDEC, 625 Broadway, Albany, New York 12233 (telephone: 518-402-8859).

Recreational, Historical, and Archaeological Resources

Applicants for hydropower licenses are required to consult with the National Park Service (NPS) about recreational resources, historic and archaeological values, and land management and aesthetic issues. The NPS generally makes recommendations about recreational access and facilities, instream flows for recreation, and riparian corridor and conservation buffer zone protection. For more information, please contact Duncan Hay, National Park Service, 15 State Street, Boston, MA 02109 (telephone: 617-223-5056).

We recommend that the following be stipulated in any preliminary permit issued by the FERC regarding FERC No. 13358:

“That the permittee shall design and conduct, at project cost, as soon as practicable after issuance of the project’s preliminary permit, preparatory studies in cooperation with the New York State Department of Environmental Conservation, the U.S. Fish and Wildlife Service, and the National Park Service. These studies shall address, but not be limited to, the effects of project construction and operations on the movements of fish and other aquatic

organisms, the reproduction and survival of aquatic or semi-aquatic fish and wildlife resources, recreational fishing and navigation, wetland and riparian wildlife, vegetative species, and historical and archaeological resources. The studies shall also identify and evaluate general measures to avoid, offset, and/or reduce adverse project-caused impacts on fish and wildlife resources.”

Thank you for the opportunity to review and comment on this application. Please contact me at (617) 223-8565 if I can be of assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew L. Raddant", is displayed on a light blue rectangular background.

Andrew L. Raddant
Regional Environmental Officer