VIA ELECTRONIC FILING

February 21, 2025

DEBBIE-ANNE A. REESE SECRETARY FEDERAL ENERGY REGULATORY COMMISSION 888 FIRST STREET NE WASHINGTON, D.C. 20426

Re: Joint filing documenting consensus on key elements related to decommissioning the Newhalem Creek Hydroelectric Project (P-2705-037)

Dear Secretary Reese:

Seattle City Light (City Light) and the North Cascades National Park Service Complex (NOCA) hereby provide notice to the Federal Energy Regulatory Commission (FERC) that consensus has been reached on two key elements in the proceeding to surrender the license and decommission the Newhalem Creek Hydroelectric Project, FERC Project No. 2705 (Project). City Light has agreed to adopt and proceed with the Full Removal alternative described in FERC's draft Environmental Assessment (EA) issued on March 29, 2024, and NOCA has agreed to withdraw its request for removal of the Hilfiker wall as a component of the decommissioning plan. City Light and NOCA reached consensus based on consultation pursuant to Section 106 of the National Historic Preservation Act and a recent collaborative assessment of the impacts of the wall removal option. Further detail on these two decisions is provided below.

City Light's Decision to Adopt Full Removal Alternative

On March 29, 2024, FERC issued its draft EA for the proposed license surrender and decommissioning of the Project. In the draft EA, FERC recommended City Light's preferred alternative to partially remove the Project facilities, leaving the powerhouse and penstock in place due to their inclusion in the National Register of Historic Places as contributing elements of the Skagit River and Newhalem Creek Hydroelectric Projects historic district (DT66). NOCA and other intervening parties, including the Washington Department of Archaeology and Historic Preservation, responded that full removal of all Project facilities was preferred as it provided an opportunity to fully restore the Upper Skagit Indian Tribe's (USIT) Gorge and Canyons Traditional Cultural Property (TCP) district (45WH450).

On September 25, 2024, City Light met with the Section 106 consulting parties to discuss the effects of the undertaking following the parties' review of all Project cultural resource identification reports. The consulting parties conveyed that the continued presence of the Project facilities following decommissioning was an adverse effect to TCP 45WH450. Follow-up discussions explored refining the partial removal alternative, such as reducing the timeframe that the facilities would remain in place or whether the powerhouse could solely remain; however, consulting parties indicated that these refinements would still not adequately address adverse effects to TCP 45WH450. City Light respects the

interests and alignment of the Section 106 consulting parties and hereby adopts the Full Removal alternative described in FERC's draft EA and further clarified in the attached Table 1 draft between the NOCA and City Light.

In addition to the successful Section 106 consultations, National Park Service (NPS) policies and priorities concerning tribal co-stewardship¹ of park resources have changed substantially since the park's General Management Plan was established in 2012. In accordance with the recent <u>Joint Secretarial Order No. 3403</u>, and <u>NPS Policy Memorandum 22-03</u>, these directives have resulted in a seachange within the agency, and led to far more meaningful engagement with the tribes on park management issues within NOCA. The USIT's Gorge and Canyons TCP district is a case in point that underscores the tangible effects these policies have helped foster for the park and the tribes who have called the park home since time immemorial. This dynamic has highlighted the inherent tension between preserving historic resources associated with the Project and protecting the TCP. Recognizing both goals cannot be mutually achieved, both NOCA and City Light agree the best approach moving forward is to place primacy on protecting the TCP notwithstanding the adverse impacts that will arise from removal of historic assets associated with the Project.

NOCA's Decision to Withdraw its Request for Removal of the Hilfiker Wall

FERC's preferred alternative in the draft EA includes road decommissioning activities that leave the Hilfiker wall, supporting Newhalem Creek Road through the landslide area, in place. NOCA commented in response that the Hilfiker wall should be removed to fully restore the landscape and eliminate a potential future wall failure. NOCA also commented that the concrete wall, constructed by the U.S. Forest Service (USFS) just down the road from the Hilfiker wall, should also be removed to restore the landscape. Upon further analysis and in consultation with road engineers, NOCA has decided to reverse course and not remove the Hilfiker wall or the smaller concrete wall located nearby. Mitigating the risks to construction crews who would do the work would be a risky and challenging task, and the impacts from rock scaling that would be needed to secure a safe worksite would greatly expand the disturbance footprint. Moreover, removal of these features would eliminate any future access to potentially address abandoned logging road infrastructure upstream of the diversion dam, possibly hamper fire fighting access, and likely preclude some visitors seeking cross country access to popular mountaineering routes that are often accessed via the Newhalem Creek drainage. For all these reasons, NOCA has also decided that the Hilfiker wall and concrete wall on the access road should be kept in place.

As provided above, one of the reasons to leave the wall in place is to allow the NOCA future access to address logging road infrastructure upstream of the diversion dam. For that reason, NOCA and City Light agree that the Newhalem Creek Road up to the dam site should be placed in "storage" rather than decommissioned after the dam and headworks are removed; road storage is an alternative form of abandonment used by the USFS that prevents damage to environmental resources while preserving the integrity of the road for future access. Treatments for the Newhalem Creek Road may include filling existing ditch lines, removing culverts and establishing a stream channel at the perennial water crossing,

¹ The NPS defines "Co-stewardship" broadly to include formal co-management (through legal authorities), collaborative and cooperative management (often accomplished through agreements), and self-governance agreements (including annual funding agreements).

adding water bars along the roadway surface, removing fill where slumping and erosion of the road are occurring, revegetation or monitored natural recovery, and placing a vehicle barrier at the downhill end of the stored road segment. City Light will develop a Road Storage Plan in collaboration with NOCA and in accordance with USFS guidelines. The Road Storage Plan will be commensurate with the road decommissioning plan approach that was evaluated by FERC in the draft EA.

Integration into the Current License Surrender Proceeding

The collaborative decision described herein by City Light and NOCA conforms with FERC's NEPA process to date as both the partial and full removal alternatives were analyzed in the draft EA, and full removal would result in many of the same effects as FERC's Proposed Action with Staff Modifications as summarized in Table 9 of the draft EA. The Stormwater Pollution Prevention Plan would address any additional needed measures to minimize effects associated with the penstock removal. Adverse effects to cultural resources will be mitigated through consultation with the Section 106 parties.

City Light and NOCA look forward to continuing to work together along with FERC and the other parties to progress towards surrendering the license and decommissioning the Project. If you have any questions, please feel free to contact Shelly Adams with City Light at (206) 684-3117 or Roy Zipp with NOCA at (360) 854-7200.

Sincerely,

Shelly Adams

Shelly Adams
Decommissioning Project Manager
Seattle City Light

Don Striker

Don Striker (Feb 21, 2025 17:22 PST)

Don Striker Superintendent North Cascades National Park Service Complex

Cc: Diana Shannon, FERC

Table 1. Elements that would be removed as part of the Full Removal Alternative

Facilities	Full Removal Scope
45-foot-long by 10-foot-high concrete, overflow diversion dam	Remove
Combination sluiceway/intake structure and small gatehouse at the dam	Remove
Pedestrian bridge from the diversion dam access road to the gatehouse	Remove
Access road to the diversion dam	(a) Above 840 ft: Place in storage (b) Below 840 ft: Remain
Cement retaining wall associated with the dam access road	Remain
Hilfiker wall associated with the dam access road	Remain
55-foot-tall, 5-foot-by-5-foot unlined rock vertical shaft that conveys water from the intake to the power tunnel	Remain
2,700-foot-long unlined rock power tunnel	Remain
350-foot-long tailrace channel that discharges into the Skagit River	Remain - Restore downstream end near fish barrier for high flow fish refugia.
218-foot-long, 33-inch-diameter steel penstock, penstock cradles and walkway planking that conveys water inside the power tunnel	Remove
707-foot-long, 33-inch-diameter steel penstock that conveys water from the rock power tunnel opening to the powerhouse	Remove
6 concrete thrust blocks and 56 concrete and/or wooden penstock support saddles	Remove
30-foot by 56-foot wood-framed powerhouse	Remove
One double-overhung Pelton impulse turbine (2,250 kilowatts) connected to a single generating unit rated at 2,125 kilowatts	Remove
3.6-foot-high, 18-foot-wide concrete tailrace fish barrier with concrete wing walls	Remove
Rip-rap associated with the tailrace barrier	Remove unless directed to leave in place by an arborist during removal activities to prevent damage to mature or important trees
7.2-kilovolt transmission line, consisting of: (a) a 350-foot- long buried cable; (b) 400-foot-long cables over the Skagit River to Newhalem; (c) a 3,000-foot-long buried cable; and (d) 637-foot-long overhead cables and 6 poles crossing the Skagit River to the Gorge Powerhouse (part of the Skagit	Remove: (1) buried cable from the Newhalem Powerhouse to the Skagit River crossing (350 ft); (2) overhead river crossing (400 ft); (3) 6 poles on each side of the river adjacent to Newhalem Creek Powerhouse (no power poles near Gorge Powerhouse exist for Project No. 2705)

River Hydroelectric Project No. 553);	Remain: (1) buried cable through the town of Newhalem (3,000 ft); and (2) overhead river crossing from the town of Newhalem to the Gorge Powerhouse (637 ft) (inside a conduit along existing pedestrian bridge);
Underground transmission lines and vaults	Remove on south side of river between Skagit River and Newhalem Powerhouse. Underground lines and vaults on the north side are on City Light land and will be abandoned in place.
Access road from the Newhalem Creek Campground to the powerhouse.	Remove/decommission from the powerhouse to the Rock Shelter Trail.
Transformers and cement bollards adjacent to the Newhalem Powerhouse	Remove
Electrical cables and conduit attached to penstock saddles and telephone line laying on the ground adjacent to the penstock	Remove
Viewing platform constructed of treated lumber on the lower portion of the penstock	Remove
Six-inch diameter PVC pipe adjacent to the penstock	Remove
Telephone, circuit breaker, lights, and six-inch PVC pipe inside of the penstock tunnel	Remove
Electrical conduit, lights, telephone line, and anchors in the penstock tunnel	Remove
Penstock tunnel opening debris (retaining fencing and posts)	Remove
Two culverts associated with the evacuation route and Trail of the Cedars that cross an intermittent stream channel.	To be determined between NOCA and City Light outside of the decommissioning process, as there is no nexus to Project No. 2705.