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Upper Peninsula Power Company

BONEY FALLS PROJECT

-FERC No. 2506-

SHORELINE MANAGEMENT PLAN

And

REQUEST FOR AMENDMENT OF ARTICLE 413:

LAND USE MANAGEMENT PLAN, AND

ARTICLE 412: RECREATION PLAN



November 2007

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Cover photo by: (Scott Gruening-Naterra)

EXECUTIVE SUMMARY

The Boney Falls Shoreline Management Plan (SMP) is designed to manage the various, and sometimes conflicting, expectations of the general public as well as businesses, natural resource agencies, and environmental groups regarding the use of project lands around the Boney Falls impoundment. The SMP allows or prohibits activities in certain areas with environmentally important and sensitive resources and allows a limited number of controlled and measured activities in other areas where impacts to resources will be minimized.

For the purposes of managing activities on project lands, the shoreline of the Boney Falls impoundment is segregated into four shoreline classifications: Conservation – Limited Public Trail Areas¹, Conservation – Limited Public Path and Limited Enhanced View Areas, General Use/Formal Recreation Areas, and Project Operations Areas. Section 7.1 includes a discussion on how the five classifications were determined and Section 7.2 includes detailed descriptions of each classification. The classifications for the Boney Falls impoundment are shown on Maps 7-1A – 71-C. As can be seen from the Map 7-1 series, the Boney Falls impoundment shoreline classifications allow for non-project use of project lands and anticipated increased recreational use.

Primary recreational use of the shoreline will occur within the General Use/Formal Recreation and Conservation – Limited Public Path and Limited Enhanced View Areas. Within the Conservation – Limited Public Path and Limited Enhanced View Areas, the SMP allows three permissible activities to occur: the installation of a dock with an access ramp to the dock, the creation of a pedestrian path and associated stairs, and the creation of enhanced view areas (See Section 7.3.3 for detailed design criteria for these activities). Procedures for obtaining a permit for these activities are discussed in detail in Section 10.1.

In addition to shoreline classifications and permissible activities, UPPCO proposes a number of recreational enhancements to accommodate anticipated increased general public recreation use of the impoundment that may occur as the result of non-project uses of project lands. Recreational enhancements for the Boney Falls impoundment are described in detail in Section 8.2 and shown on Map 8-1. The implementation schedule for recreational enhancements is shown in Table 8-1.

This SMP, including recommendations for enhancements, is the result of a consultation between UPPCO and state and federal agencies, local units of government, the public, and two focus groups consisting of representatives from government, conservation, economic, and hunting and fishing groups (See Section 12.0).

¹ The comments received on the draft SMP indicated there was confusion regarding the impacts associated with the creation of the limited trails, limited pathways, and limited view enhancement areas in the conservation areas. Therefore, the names and symbols for the conservation areas, the limited pathway areas, and the limited enhanced view areas have been revised to better characterize the intended uses.

1.0 INTRODUCTION

This Shoreline Management Plan (SMP) for Upper Peninsula Power Company's Escanaba Hydroelectric Project, FERC Project No. 2506, is being developed proactively in anticipation of impacts that will occur as a result of pressures on the project from factors outside the project property.² The Escanaba Project includes the Dam No. 1, the Dam No. 3, and the Boney Falls (Dam No. 4) developments. This SMP only applies to the Boney Falls development and is herein referenced as the "Boney Falls Shoreline Management Plan" or "Boney Falls SMP".

The purpose of the SMP is to protect and enhance the impoundment's natural resources and the Project's primary function, the production of electricity, while providing public recreational enhancements and directing, managing and mitigating the impacts of anticipated development of non-project lands so as to complement or have neutral effects on those natural resources.

The SMP was developed in consultation with resource agencies, local governments, non-governmental organizations, and included local public outreach sessions (See Section 12.0). The SMP addresses issues such as pedestrian paths and trails, public and private individual and cluster docks, enhanced view areas, protection of wildlife and fishery habitat, public recreational access to the lakes, and water quality.

Development of the SMP has taken into account the following goals and objectives.

Goal 1 - Avoid or minimize impacts to aquatic habitat.

Objectives

- Ensure aquatic habitat is considered when planning shoreline activities.
- Site and design shoreline facilities, if any, in a manner that avoids or minimizes impacts to aquatic habitat.

Goal 2 - Avoid or minimize potential for shoreline erosion.

Objectives

- Site and design shoreline facilities, if any, in a manner that avoids or minimizes shoreline erosion.
- Monitor for shoreline erosion.
- Implement erosion control repairs when warranted.

² UPPCO's decision to sell most of its non-project lands to residential real estate developers will be a primary source of these pressures. This SMP is intended to control, direct, and mitigate the impacts to Project lands that are expected to result in this significant change in the status of UPPCO's non-project lands.

Goal 3 - Protect water quality.

Objective

- Site and design shoreline facilities, if any, in a manner that avoids or minimizes adverse impacts on water quality.

Goal 4 - Avoid the introduction and/or the spread of nuisance/invasive species.

Objectives

- Provide public education and signs.
- Continue monitoring for Eurasian water milfoil and purple loosestrife according to the current license requirements.
- During routine inspections, monitor project lands and waters for introductions of terrestrial and aquatic invasive species as a result of development activities.

Goal 5 - Concentrate new shoreline facilities, if any, in areas that already have shoreline facilities or in areas that will avoid or minimize adverse environmental impacts.

Goal 6 - Minimize impacts to the aesthetic quality of the shoreline.

Objectives

- Site and design shoreline facilities, if any, in a manner that avoids or minimizes adverse impacts to the aesthetic quality of the shoreline.
- Limit the removal of dead, diseased, or dying trees to those that constitute a safety hazard.
- Limit the removal of live vegetation to a manner that maintains or enhances the aesthetic quality of the shoreline.

Goal 7 - Protect wetlands.

Objective

- Site and design shoreline facilities, if any, in a manner that avoids or minimizes impacts to wetlands.

Goal 8 - Avoid or minimize impacts to sensitive wildlife species.

Objective

- Site and design shoreline facilities, if any, in a manner that avoids or minimizes impacts to sensitive wildlife or avian habitat (refer to list of species identified in study scopes).

Goal 9 - Prevent negative impacts to threatened and endangered species.

Objective

- Site and design shoreline facilities, if any, in a manner to avoid or minimize impacts to threatened and endangered species.

Goal 10 - Avoid or minimize negative impacts to recreational values and public access.

Objectives

- Avoid or minimize conflicts between the public and adjacent land owners.
- Provide public education and signs to inform the public of their rights to use the project lands.

- Describe existing recreational uses and values of the project, as well as anticipated and desired recreational uses and values.
- Utilize license requirements to formulate public recreation access policies (i.e. in some cases, walk-in access to shorelines is to be maintained, but not necessarily enhanced, to reduce impacts to sensitive wildlife and its habitat).

Goal 11 – Avoid impacts to cultural resource sites identified as part of the project archaeological surveys.

2.0 DESCRIPTION OF THE PROJECT AND ADJACENT LAND USE

2.1 PROJECT DESCRIPTION

The Escanaba River Hydroelectric Project operates under a major project license and is located on the Escanaba River in Marquette and Delta Counties of Michigan's Upper Peninsula. The Project consists of three dams with power plants that are operated to achieve the fullest practical use of the Escanaba River streamflow and available generating head. Dam No. 1, and power plant, are located approximately two miles from the mouth of the river with a capacity of 1.95 MW. Dam No. 3 is located approximately five miles from the mouth of the river with a capacity of 2.5 MW. Dam No. 4, the Boney Falls dam, and power plant, are located about 22 miles from the mouth of the Escanaba River at Lake Michigan with a capacity of 4.74 MW. This SMP only applies to the Boney Falls portion of the hydroelectric project.

2.2 ADJACENT LAND USE

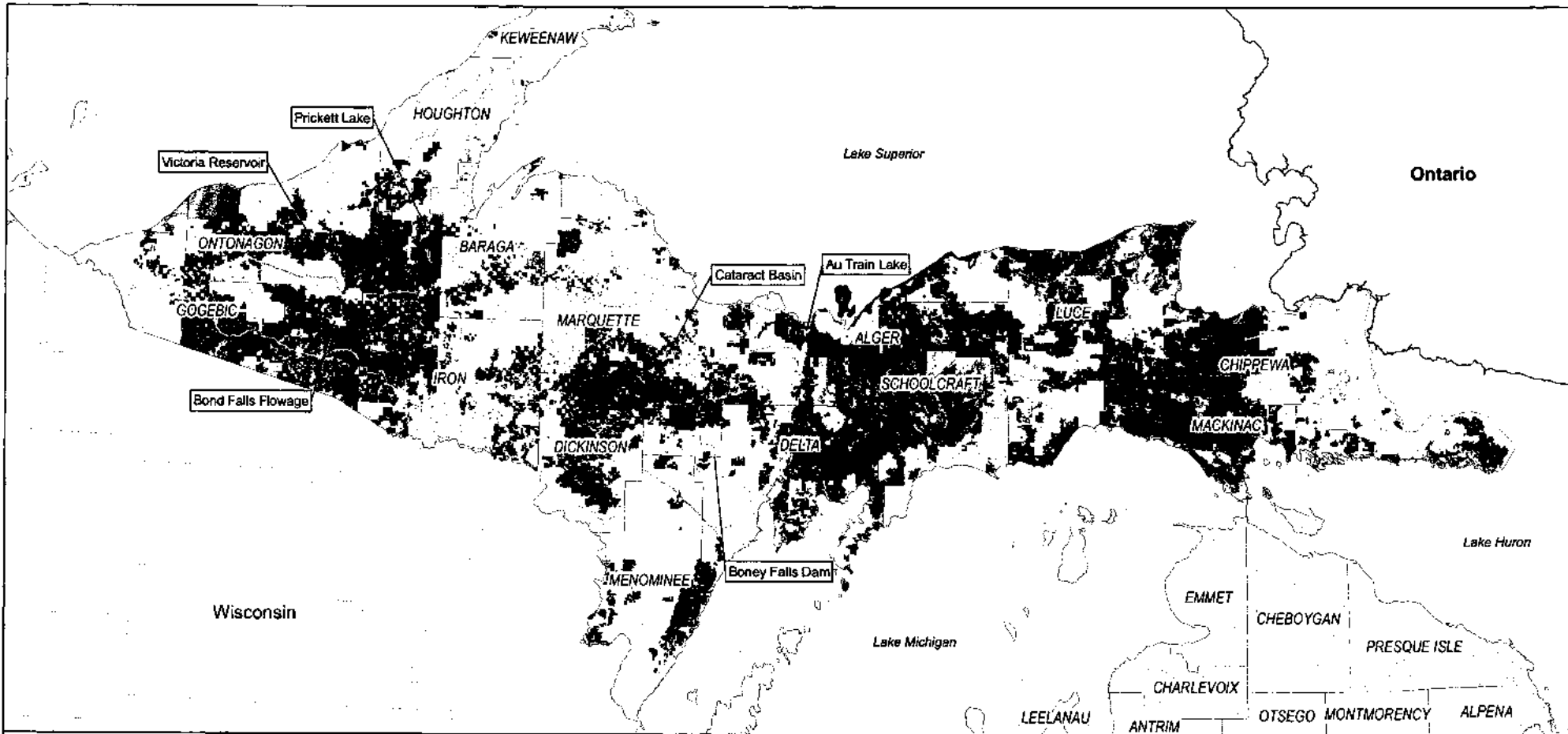
The land in and around the Boney Falls Project area can be classified into the following general categories: urban/industrial/developed; agricultural; aquatic/wetlands; and natural vegetation. The vast majority of lands in the Upper Peninsula of Michigan are forested.

Reconnaissance of the Project area and aerial photos (U.S. Soil Conservation Service, 1981) show that land use along the river near Dam No. 1 is primarily industrial (paper mill). Downstream of Dam No. 1 land use is a mixture of developed and undeveloped lands. Residential development also occurs along the river from Dam No. 3 up to Boney Falls Dam. In general, the area in the immediate vicinity of the Project facilities contains more developed land, more agricultural land and more aquatic areas than is typical for the county, but forested land is still the predominant land use in the Project areas.

Delta County is bordered by 211 miles of Lake Michigan shoreline, and has 148 inland lakes and approximately 514 miles of rivers and streams. Winter recreation is popular in this region. Many of the recreation sites associated with these resources are owned and operated by the Delta County Parks Department.

Delta County has 71,568 acres of public lands that are available for use by the general public. Map 2-1 includes state, county and federal ownership, which constitutes approximately 9.48 percent of the total land in Delta County. There are 5 pathways totaling 25 miles for various recreation activities. There are 2 park and campgrounds with 156 acres available for public use. Two other day use facilities can be found within Delta County.

The Escanaba River State Forest borders sections of Boney Falls. The State Forest contains 416,000 acres in the central Upper Peninsula. It also provides more than 49 miles of trails that create access for various recreational opportunities.



- Lakes
- National Lakeshore
- National Wildlife Refuge
- National Forest
- State Forest
- State Park
- Other State Land
- The Nature Conservancy

Notes: Base layers courtesy of ESRI, MIGDL, and USGS. Land ownership data courtesy of MIGDL and MDNR.

Land Type	Acreage	Percent of Upper Michigan
Upper Michigan Total Acreage	10,534,681	
National Lakeshore	43,971	0.4%
National Wildlife Refuge	93,482	0.9%
National Forest	1,875,079	17.8%
State Forest	1,860,440	17.7%
State Park	116,380	1.1%
Other State Land	157,834	1.5%
The Nature Conservancy	9,332	0.1%
Total Public Land	4,156,518	39.5%



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MAP: 2-1 Public Lands in the Upper Peninsula

3.0 REGIONAL DEMOGRAPHICS

Proper planning for uses of project land (both project and non-project uses) through the proposed SMP can heavily influence an economic upturn in the Boney Falls area by making adjacent lands more marketable, thereby increasing the tax base.

The socioeconomic environment for Boney Falls includes the adjacent townships of Baldwin and Cornell in Delta County and Ewing and Wells in Marquette County. Socioeconomic information is provided for these townships and counties, to the extent available. Data on the State of Michigan as a whole is also included to provide a context for the social and economic conditions in the counties and townships adjacent to the project.³ This comparison provides important information on the overall economic situation of the communities adjacent to the project. When compared to the entire state, these areas are considerably more rural and tend to have lower measures of economic well-being (for example, income and home value). Such measures impact expenditures and revenues for the project's stakeholders at both the state and local levels from income and property taxes, respectively.

3.1 REGIONAL SOCIOECONOMIC CHARACTERISTICS

The following information indicates that Marquette County has experienced a decreasing population since 1980. In Delta County, there has been a slight increase in population. Some individual towns within the counties have experienced population increases since 1980; although they are the exception. The information also indicates there is a high rate of seasonal, recreational and occasional use in the demographic area.

3.2 POPULATION AND DEMOGRAPHICS

Recent and historical population estimates for the adjacent townships, surrounding counties, and the State of Michigan are presented in Table 3-1. Since 1970, the population of Delta County has risen by 7 percent to 38,347, while the population of Michigan as a whole increased by 14 percent. The population of Baldwin Township has risen by 27 percent to 773 between 1970 and 2005. Cornell Township has experienced the largest percentage increase in population in the study area, growing by 30 percent to 570 since 1970.

After increasing by almost 15 percent from 1970 to 1980, the population of Marquette County has roughly returned to its 1970 population, with a 2005 population of 64,760. After a steady decline in population from 1970 through 2000, Ewing Township is now

³ The affected communities are not compared to the broader Upper Peninsula region for several important reasons. The region, in general, has similar socioeconomic characteristics to the areas adjacent to the project. Thus, a comparison would not highlight the communities' true social and economic conditions to the extent that a comparison with the state does. Additionally, composite data are not available for the region for measures such as median age, median household income, median value of owner-occupied housing, median gross rent, and median year (housing) structure built. Further, as there is no taxing jurisdiction that encompasses the broader Upper Peninsula region, this data is not needed by a stakeholder.

within 2 persons of its 1970 population, with a 2005 population of 174. Wells Township has also experienced a fluctuating population over the past 35 years. Its 2005 population of 333 persons is 20 percent higher than its 1970 population.

TABLE 3-1: HISTORICAL POPULATION
Delta County, Marquette County, and the State of Michigan, 1970 through 2005

	1970	1980	1990	2000	2005
Baldwin Township					
Persons	610	769	710	694	773
Change		26.1%	-7.7%	-2.3%	11.4%
Cornell Township					
Persons	438	531	536	551	570
Change		21.2%	0.9%	2.8%	3.4%
Delta County					
Persons	35,924	38,947	37,780	38,520	38,347
Change		8.4%	-3.0%	2.0%	-0.4%
Ewing Township					
Persons	176	163	158	152	174
Change		-7.4%	-3.1%	-3.8%	14.5%
Wells Township					
Persons	277	351	281	272	333
Change		26.7%	-19.9%	-3.2%	22.4%
Marquette County					
Persons	64,686	74,101	70,887	64,634	64,760
Change		14.6%	-4.3%	-8.8%	0.2%
State of Michigan					
Persons	8,881,826	9,262,044	9,295,287	9,938,444	10,120,860
Change		4.3%	0.4%	6.9%	1.8%

Source: U.S. Bureau of the Census.

Table 3-2 presents information on the place of residence and age of the populations in the study area. While three-quarters of Michigan's population and slightly more than one-half of Marquette County's population is classified as living in urban areas, a full 100 percent of the residents of the townships adjacent to Boney Falls are classified as living in rural areas. In 2000, the median age for Delta County was 40.4 years old, older than the state's median age of 35.5. Marquette County, as a whole, had the youngest population in the study area (37.5 years old). Ewing Township has the oldest population of the areas discussed, with a median age of 45.9. The age distribution for the townships and counties are similar to that of the state as a whole.

**TABLE 3-2: DEMOGRAPHIC CHARACTERISTICS OF THE POPULATION
Delta County, Marquette County, and the State of Michigan, 2000**

	Baldwin Township	Cornell Township	Delta County	Ewing Township	Wells Township	Marquette County	State of Michigan
Residence:							
Rural/urban							
Urban	0%	0%	55%	0%	0%	58%	75%
Rural Farm	1%	7%	1%	0%	5%	0%	1%
Rural Non-farm	99%	93%	44%	100%	95%	42%	24%
Age							
Median Age	41.3	42.4	40.4	45.9	40.0	37.5	35.5
Under 18	22%	22%	24%	27%	21%	21%	26%
18 to 64	64%	62%	59%	61%	64%	65%	62%
65 and over	14%	17%	17%	13%	15%	13%	12%

Source: U.S. Bureau of the Census.

Because of rounding, numbers may not sum to 100 percent.

3.3 HOUSING

According to the 2000 U.S. Census, Delta County had 19,223 housing units. While the State of Michigan as a whole had a vacancy rate of 11 percent, the vacancy rate was much higher in Delta County (18 percent), which had a large number of homes (73 percent of those vacant or 13 percent of the entire housing stock) in seasonal, recreational, or occasional use. A vacancy in a housing unit occurs when a housing unit is not occupied at the time of the census. Vacancy rates in Baldwin and Cornell Townships were twice that of Delta County as a whole (36 percent and 39 percent, respectively). In Baldwin Township, 81 percent of the housing units unoccupied in 2000 were in seasonal use (29 percent of the total housing). In Cornell Township, 37 percent of the total housing stock was in seasonal use (93 percent of the vacant housing). Overall, Delta County has the oldest housing (median year structure built: 1968) within the study area. Baldwin Township (1973) and Cornell Township (1971) had the youngest housing stocks of the areas being discussed.

In 2000, Marquette County had a total of 32,877 housing units. Approximately 22 percent of those units were vacant, with 61 percent of vacant units in seasonal, recreational, or occasional use. Vacancy rates were much higher in Ewing Township (60 percent) and Wells Township (72 percent). Of the vacant housing, 100 percent in Ewing Township were designated for seasonal, recreational or occasional use. In Wells Township, 99 percent of the housing were in seasonal use (72 percent of the entire housing stock). Marquette County had slightly older housing (median year structure built: 1964) than Michigan as a whole (median year structure built: 1965). Table 3-3 summarizes the housing characteristics in the Boney Falls study area.

TABLE 3-3: HOUSING CHARACTERISTICS
Delta County, Marquette County, and the State of Michigan, 2000

	Baldwin Twp.	Cornell Twp.	Delta County	Ewing Twp.	Wells Twp.	Marquette County	State of Michigan
Housing units							
Total	466	372	19,223	169	397	32,877	4,234,279
Median year structure built	1973	1971	1961	1964	1970	1964	1965
Occupancy Status							
Occupied	64%	61%	82%	40%	28%	78%	89%
Vacant	36%	39%	18%	60%	72%	22%	11%
<i>Seasonal, recreational, or occasional use</i>	81%	93%	73%	100%	99%	61%	54%
Median Gross Rent, monthly							
Median gross rent (a)	\$425	n/a	\$383	n/a	\$275	\$398	\$546
Percentage of State	78%	n/a	70%	n/a	50%	73%	n/a
Percentage of U.S. (b)	71%	n/a	64%	n/a	46%	66%	91%
Median Value for Owner-occupied housing							
Median value (a)	\$64,000	\$84,500	\$80,000	\$32,500	\$56,300	\$77,200	\$115,600
Percentage of State	55%	73%	69%	28%	49%	67%	n/a
Percentage of U.S. (c)	54%	71%	67%	27%	47%	65%	97%

Notes:

- (a) All dollar amounts shown are in 1999 dollars.
- (b) For the U.S., median gross rent in 1999 was \$602.
- (c) For the U.S., the median value of owner-occupied housing in 1999 was \$119,600.

Source: U.S. Bureau of the Census.

In the year 2000, the median value of owner-occupied housing in Delta County was \$80,000, which was 69 percent of the state median value of \$115,600. Baldwin Township had a median value of owner-occupied housing of \$64,000, 55 percent of the state's median. The median value of owner-occupied housing in Ewing Township was significantly higher, at \$84,500, than that of Baldwin Township. The median monthly gross rent reported in the 2000 U.S. Census was \$383 in Delta County. This figure is 30 percent lower than Michigan's median for the same year of \$546.

The median value of owner-occupied housing in Marquette County was \$77,200, 67 percent of the state median value. Ewing Township had a median value of owner-occupied housing of \$32,500, 28 percent of the state median. While significantly higher than that of Ewing Township, Wells Township's median value of \$56,300 was slightly less than half of the Michigan-wide median. The U.S. Census reports that in 2000 the median gross rent in Marquette County was \$398, 27 percent lower than Michigan's median gross rent.

3.4 INCOME

Delta County lags behind Michigan and the U.S. in measures of income. In 1999, residents earned 80 percent of the median household income and 84 percent of the per capita income for the State of Michigan. Within the Boney Falls Project area, Cornell Township had the highest median household income at \$41,528 (93 percent of the state median). Poverty levels for the study area, however, were lower than those experienced by the state and U.S. Of the areas addressed, Baldwin Township had the lowest percentage of persons living below the poverty level, at 4 percent, one-third of the national level.

In 1999, the median household income in Marquette County was 20 percent less than the median for Michigan. The median household income in Ewing Township was the lowest in the Boney Falls study area, at roughly half that of the county as a whole. Nonetheless, the percentage of persons living below the poverty level (9 percent) in Ewing Township was lower than that of Marquette County (11 percent), the State of Michigan (11 percent), and the U.S. (12 percent). Table 3-4 presents data on the income and poverty levels of the Boney Falls study area.

TABLE 3-4: INCOME
Delta County, Marquette County, and the State of Michigan, 1999

	Baldwin Twp.	Cornell Twp.	Delta County	Ewing Twp.	Wells Twp.	Marquette County	State of Michigan	U.S.
Median Household Income (a)								
Median household income	\$35,917	\$41,528	\$35,511	\$17,813	\$28,906	\$35,548	\$44,667	\$41,994
Percent of State	80%	93%	80%	40%	65%	80%	n/a	94%
Percent of U.S.	86%	99%	85%	42%	69%	85%	106%	n/a
Per Capita Income (a)								
Per capita income	\$17,532	\$18,334	\$18,667	\$13,183	\$15,333	\$18,070	\$22,168	\$21,587
Percent of State	79%	83%	84%	59%	69%	82%	n/a	97%
Percent of U.S.	81%	85%	86%	61%	71%	84%	103%	n/a
Poverty Status								
Percentage below poverty level	4%	6%	9%	9%	9%	11%	11%	12%

Notes:

(a) All dollar amounts shown are in 1999 dollars.

Source: U.S. Bureau of the Census.

3.5 ECONOMY

Table 3-5 below presents current data from the Bureau of Labor Statistics on the wages, labor force, and unemployment in Delta and Marquette counties, with data from the State of Michigan and the U.S. included for reference. Township-level data are not available for these measures. As shown below, Delta County had a labor force of 20,722 in October 2006. Unemployment in the county was 5.1 percent, lower than the

state’s average of 6.1 percent, but 24 percent higher than the U.S. average of 4.1 percent. Annual 2005 unemployment in Delta County was 7 percent, exceeding both the state (6.7 percent) and national (5.1 percent) levels. In October 2006, Marquette County had a labor force of 36,622, 4.6 percent of whom were unemployed. The annual 2005 unemployment in Marquette County was 5.6 percent, between the state and national levels.

In 2005, the average weekly wage in Delta County was \$590, for an average annual pay of \$30,693. The average weekly wage for the State of Michigan was 34 percent higher than the county’s, at \$793. Marquette County residents had average weekly wages in 2005 of \$595 (\$30,937 annually).

**TABLE 3-5: WAGES, LABOR FORCE, AND UNEMPLOYMENT
Delta County, Marquette County, and the State of Michigan, 2005 and 2006**

	Delta County	Marquette County	State of Michigan	U.S.
Avg. weekly wage, 2005	\$590	\$595	\$793	\$782
Avg. annual pay, 2005	\$30,693	\$30,937	\$41,214	\$40,677
Annual 2005 unemployment	7.0	5.6	6.7	5.1
Unemployment rate, October 2006	5.1	4.6	6.1	4.1
Labor force, October 2006	20,722	36,622	5,111,721	152,397,000

Source: U.S. Bureau of Labor Statistics.

The economy of Delta County is relatively diverse, with predominant industries, based on employment, consisting of educational, health, and social services (20 percent); manufacturing (19 percent); retail trade (13 percent); and arts, entertainment, recreation, accommodation, and food services (11 percent). Employment in Baldwin and Cornell Townships is much more heavily focused on the manufacturing sector (26 percent and 29 percent, respectively).

Employment in Marquette County is greatest in the educational, health and social services (28 percent) areas. Other significant industries in the county are retail trade (14 percent) and arts, entertainment, recreation, accommodation, and food services (11 percent). Educational, health and social services (23 percent) is the most dominant industry in Ewing Township, based on employment figures. Wells Township is much more reliant on agriculture, forestry, fishing and hunting, and mining (24 percent).

Table 3-6 below presents the industry and occupation data from the 2000 U.S. Census for the townships and counties in the study area, with the State of Michigan provided for comparison purposes.

TABLE 3-6: INDUSTRY AND OCCUPATION
Delta County, Marquette County, and the State of Michigan, 2000

	Baldwin Twp.	Cornell Twp.	Delta County	Ewing Twp.	Wells Twp.	Marquette County	State of Michigan
Industry for Employed civilian population 16 years and over (a)							
Agriculture, forestry, fishing and hunting, and mining	6%	9%	3%	15%	24%	5%	17%
Construction	6%	5%	6%	0%	3%	6%	62%
Manufacturing	26%	29%	19%	10%	7%	6%	14%
Wholesale trade	3%	2%	3%	5%	2%	2%	8%
Retail trade	11%	6%	13%	0%	15%	14%	0%
Transportation and warehousing, and utilities	12%	6%	6%	13%	4%	5%	1%
Information	3%	2%	2%	0%	0%	2%	6%
Finance, insurance, real estate and rental/leasing	3%	5%	4%	0%	2%	5%	23%
Professional, scientific, management, administrative, and waste management services	5%	1%	4%	5%	6%	5%	3%
Educational, health and social services	10%	14%	20%	23%	14%	28%	12%
Arts, entertainment, recreation, accommodation and food services	5%	8%	11%	10%	14%	11%	4%
Other services (except public administration)	7%	8%	6%	18%	6%	5%	2%
Public administration	4%	3%	4%	3%	4%	6%	5%
Occupation for Employed civilian population 16 years and over (a)							
Management, professional, and related occupations	21%	16%	25%	33%	25%	29%	31%
Service occupations	15%	19%	18%	30%	24%	21%	15%
Sales and office occupations	23%	18%	24%	5%	16%	27%	26%
Farming, fishing, and forestry occupations	2%	6%	1%	5%	9%	0%	0%
Construction, extraction, and maintenance occupations	13%	17%	10%	0%	11%	12%	9%
Production, transportation, and material moving occupations	26%	24%	21%	28%	16%	11%	18%

Notes:

(a) Because of rounding, numbers may not sum to 100 percent.

Source: U.S. Bureau of the Census.

In Delta County in 2000, 25 percent of those employed identified their occupation as management, professional, and related occupations. Sales and office (24 percent); production, transportation and material moving (21 percent); and service (18 percent), which includes health care, police and fire, and maintenance, accounted for the next largest occupations in the county. Production, transportation and material moving was the most prevalent occupation category in Baldwin and Cornell Townships in 2005 (26 percent and 24 percent, respectively).

In 2000, 29 percent of the employed population in Marquette County listed their occupation as management, professional, and related. Sales and office (27 percent) and service (21 percent) were other important occupations in the county. Significant occupations in Ewing Township were management, professional, and related occupations (33 percent); service (30 percent); and production, transportation and material moving (28 percent). Occupations in Wells Township were more diverse: management, professional, and related occupations (25 percent); service (24 percent); sales and office (16 percent); and production, transportation and material moving (16 percent).

4.0 FERC STANDARD LAND USE ARTICLE

The primary goal of this SMP is to achieve an appropriate balance between development, public and private recreation and the preservation of important natural, environmental, or cultural features of the project lands and waters. Preparing and implementing the SMP for the Boney Falls Project will give UPPCO the tools it needs to manage public and private use of project shorelines that will occur as the result of increases in public recreational use and the inevitable development of the non-project lands in the vicinity. Property owners near the project lands will use project lands for recreation and, as members of the general public, they are allowed to do so. By granting limited permits for pathways and docks, UPPCO has an important enforcement tool, i.e. the threat of withdrawing the permit, to insure that changes to project shorelines will be managed and limited to reduce impacts to important natural, environmental, recreational, cultural, and aesthetic project values within the project boundary. Permits issued to property owners will increase the value of non-project lands while, at the same time, placing a high standard of care on the permit holder not to violate stringent environmental controls for Project land and shoreline use and protection, or risk the right to water access.

Article 414 of the existing FERC license delegates to UPPCO the authority to grant permission, without prior FERC approval, for certain types of use and occupancy of project lands and waters. Article 414 reads as follows:

“(a) In accordance with the provisions of this article, the licensee shall have authority to grant permission for certain types of use and occupancy of project lands and waters and to convey certain interests in project lands and waters for certain types of use and occupancy, without prior Commission approval. The licensee may exercise the authority only if the proposed use and occupancy is consistent with the purposes of protecting and enhancing the scenic, recreational, and other environmental values of the project. For those purposes, the licensee shall also have continuing responsibility to supervise and control the use and occupancies for which it grants permission, and to monitor the use of, and ensure compliance with the covenants of the instrument of conveyance for, any interests that it has conveyed, under this article.

If a permitted use and occupancy violates any condition of this article or any other condition imposed by the licensee for protection and enhancement of the project's scenic, recreational, or other environmental values, or if a covenant of a conveyance made under the authority of this article is violated, the licensee shall take any lawful action necessary to correct the violation. For a permitted use or occupancy, that action includes, if necessary, canceling the permission to use and occupy the project lands and waters and requiring the removal of any non-complying structures and facilities.

(b) The type of use and occupancy of project lands and water for which the licensee may grant permission without prior Commission approval are: (1) landscape plantings; (2) non-commercial piers, landings, boat docks, or similar structures and facilities that can accommodate no more than 10 watercraft at a time and where said facility is intended to serve single-family type dwellings; (3) embankments, bulkheads, retaining walls, or similar structures for erosion control to protect the existing shoreline; and (4) food plots and other wildlife enhancement.

To the extent feasible and desirable to protect and enhance the project's scenic, recreational, and other environmental values, the licensee shall require multiple use and occupancy of facilities for access to project lands or waters. The licensee shall also ensure, to the satisfaction of the Commission's authorized representative, that the use and occupancies for which it grants permission are maintained in good repair and comply with applicable state and local health and safety requirements. Before granting permission for construction of bulkheads or retaining walls, the licensee shall: (1) inspect the site of the proposed construction; (2) consider whether the planting of vegetation or the use of riprap would be adequate to control erosion at the site; and (3) determine that the proposed construction is needed and would not change the basic contour of the reservoir shoreline. To implement this paragraph (b), the licensee may, among other things, establish a program for issuing permits for the specified types of use and occupancy of project lands and waters, which may be subject to the payment of a reasonable fee to cover the licensee's costs of administering the permit program. The Commission reserves the right to require the licensee to file a description of its standards, guidelines, and procedures for implementing this paragraph (b) and to require modification of those standards, guidelines, or procedures.

(c) The licensee may convey easements or rights-of-way across, or leases of, project lands for: (1) replacement, expansion, realignment, or maintenance of bridges or roads where all necessary state and federal approvals have been obtained; (2) storm drains and water mains; (3) sewers that do not discharge into project waters; (4) minor access roads; (5) telephone, gas, and electric utility distribution lines; (6) non-project overhead electric transmission lines that do not require erection of support structures within the project boundary; (7) submarine, overhead, or underground major telephone distribution cables or major electric distribution lines (69-kV or less); and (8) water intake or pumping facilities that do not extract more than one million gallons per day from a project reservoir. No later than January 31 of each year, the licensee shall file three copies of a report briefly describing for each conveyance made under this paragraph (c) during the prior calendar year, the type of interest conveyed, the location of the lands subject to the conveyance, and the nature of the use for which the interest was conveyed. If no conveyance was made during the prior calendar year, the licensee shall so inform the Commission and the Regional Director in writing no later than January 31 of each year.

(d) The licensee may convey fee title to, easements or rights-of-way across, or leases of project lands for: (1) construction of new bridges or roads for which all necessary state and federal approvals have been obtained; (2) sewer or effluent lines that discharge into project waters, for which all necessary federal and state water quality certification or permits have been obtained; (3) other pipelines that cross project lands or waters but do not discharge into project waters; (4) non-project overhead electric transmission lines that require erection of support structures within the project boundary, for which all necessary federal and state approvals have been obtained; (5) private or public marinas that can accommodate no more than 10 watercraft at a time and are located at least one-half mile (measured over project waters) from any other private or public marina; (6) recreational development consistent with an approved Exhibit R or approved report on recreational resources of an Exhibit E; and (7) other uses, if: (i) the amount of land conveyed for a particular use is five acres or less; (ii) all of the land conveyed is located at least 75 feet, measured horizontally, from project waters at normal surface elevation; and (iii) no more than 50 total acres of project lands for each project development are conveyed under this clause (d)(7) in any calendar year. At least 60 days before conveying any interest in

project lands under this paragraph (d), the licensee must submit a letter to the Director, Office of Energy Projects, stating its intent to convey the interest and briefly describing the type of interest and location of the lands to be conveyed (a marked Exhibit G or K map may be used), the nature of the proposed use, the identity of any federal or state agency official consulted, and any federal or state approvals required for the proposed use. Unless the Director, within 45 days from the filing date, requires the licensee to file an application for prior approval, the licensee may convey the intended interest at the end of that period.

(e) The following additional conditions apply to any intended conveyance under paragraph (c) or (d) of this article: (1) Before conveying the interest, the licensee shall consult with federal and state fish and wildlife or recreation agencies, as appropriate, and the State Historic Preservation Officer; (2) before conveying the interest, the licensee shall determine that the proposed use of the lands to be conveyed is not inconsistent with any approved Exhibit R or approved report on recreational resources of an Exhibit E; or, if the project does not have an approved Exhibit R or approved report on recreational resources, that the lands to be conveyed do not have recreational value; (3) the instrument of conveyance must include the following covenants running with the land: (i) the use of the lands conveyed shall not endanger health, create a nuisance, or otherwise be incompatible with overall project recreational use; (ii) the grantee shall take all reasonable precautions to ensure that the construction, operation, and maintenance of structures or facilities on the conveyed lands will occur in a manner that will protect the scenic, recreational, and environmental values of the project; and (iii) the grantee shall not unduly restrict public access to project waters; and (4) the Commission reserves the right to require the licensee to take reasonable remedial action to correct any violation of the terms and conditions of this article, for the protection and enhancement of the project's scenic, recreational, and other environmental values.

(f) The conveyance of an interest in project lands under this article does not in itself change the project boundaries. The project boundaries may be changed to exclude land conveyed under this article only upon approval of revised Exhibit G or K drawings (project boundary maps) reflecting exclusion of that land. Lands conveyed under this article will be excluded from the project only upon a determination that the lands are not necessary for project purposes, such as operation and maintenance, flowage, recreation, public access, protection of environmental resources, and shoreline control, including shoreline aesthetic values. Absent extraordinary circumstances, proposals to exclude lands conveyed under this article from the project shall be consolidated for consideration when revised Exhibit G or K drawings would be filed for approval for other purposes.

5.0 UPPCO LAND MANAGEMENT POLICIES

5.1 PUBLIC SAFETY, PUBLIC ACCESS AND RECREATION, AND ENHANCEMENT AND PROTECTION OF NATURAL RESOURCES

UPPCO has the responsibility to ensure that any shoreline development activities that occur within project boundaries are consistent with project license requirements, purposes, and operations. UPPCO's goal in managing its lands, and planning for the long-term use of its lands within the project boundary, is to balance the competing interests that are vying for the resources offered by the Boney Falls impoundment and its shoreline. UPPCO manages these lands to serve the greater public interest by providing for production of power needs and allowing public recreational access, while managing and controlling private/commercial access across project lands, preserving important wildlife habitat, protecting cultural resources contained within the project boundary, and being aware of the aesthetic resources of the Boney Falls impoundment.⁴

UPPCO has committed to proactively developing a shoreline management policy that, to the greatest extent possible, increases UPPCO's ability to control the influences placed upon the project resources by all uses of the project and adjacent non-project land. Since activities that occur off project lands and impoundments can, and will, proceed regardless of the appropriate uses of the project property and impoundments, it is appropriate for UPPCO to design into the SMP measures to attempt to control many of the uses of project lands and impoundments. These uses can, and will, occur as a result of activities on non-project lands. For example, one of the measures being proposed by UPPCO to control access to the water from residents on non-project lands, will be to limit pedestrian impacts to specified paths that will minimize impacts to environmental resources.

The SMP grants UPPCO the right, consistent with its license obligations, to take any action necessary, either by itself or through any entity or person authorized to act on its behalf, to address and remove any use that, at UPPCO's sole discretion, is inconsistent with this policy. Such actions include, but are not limited to: removing the privilege to use project lands or waters, requiring restitution for any damage to UPPCO property, prosecuting under the law for violations of any statute, rule, regulation or ordinance, or using any other legal remedy available to UPPCO.

To accommodate uses of the impoundment and UPPCO property by the general public, UPPCO maintains a number of designated recreational areas along the impoundment for public recreation, including overnight camping, picnicking, and hiking. All other UPPCO-owned lands surrounding the impoundment, except where specifically posted, are available for day-use activities including shoreline fishing.

⁴ Private use of project lands is permitted under appropriate circumstances. See Escanaba License Article 414. See also Duke Power, 114 FERC P 61183, *61605, (February 21, 2006).

5.2 POLICY OBJECTIVES

UPPCO's land management policies, as they relate to the previously stated objectives, were established to promote the following:

- to operate and maintain project lands within the limits of the license;
- to preserve and enhance the environment and resources;
- to permit access and recreational opportunities to the public and adjacent land owners;
- to provide for the welfare and safety of the public while on project lands; and
- to enforce regulations and guidelines established for the project lands.

6.0 ENVIRONMENTAL, RECREATIONAL, CULTURAL AND AESTHETIC RESOURCES

The license for the Escanaba Project (issued July 13, 1995) required UPPCO to accept certain responsibilities and obligations for the Project, including environmental, scenic, and recreational values. Each of the license articles for Boney Falls discussed below pertain to protection of these values as they relate to the SMP. This SMP was designed to be consistent with, and in many instances to further the goals and objectives of, the overall requirements of the project's license. In some instances, approval of the SMP as it is proposed will constitute amendments to the existing approved plans.

TABLE 6-1: MANAGEMENT PLANS REQUIRING AMENDMENT

FERC Approved Plan	Amendment of Plan Required	No Amendment of Plan Required
Article 409: Noxious Plant Monitoring Plan		X
Article 410: Threatened and Endangered Species Protection and Enhancement Plan		X
Article 412: Recreation Plan	X	
Article 413: Land Use Management Plan	X	
Article 416: Wildlife Management Plan		X

6.1 ARTICLE 409: NOXIOUS PLANT MONITORING PLAN

FERC approved the Noxious Plant Monitoring Plan on December 17, 1996. Under the provisions of the approved plan, UPPCO monitors the Boney Falls impoundment for purple loosestrife and Eurasian milfoil. If monitoring indicates the presence of either species, then UPPCO will cooperate with the Michigan Department of Natural Resources (MDNR) to implement measures to control or eliminate the plants.

As discussed in Section 9, UPPCO will develop a program to educate the public and to reduce the spread of nuisance species that have potential to be introduced in the project property and impoundments or have the potential to be spread to other areas outside the project through uses of the project. UPPCO will focus only on species for which the resource agencies have educational materials. In the future, UPPCO is willing to monitor additional nuisance species identified by the agencies, provided they have effective, economical and reasonable control techniques to extirpate the species from the reservoir as demonstrated through their own control programs.

Under this proposed SMP, no amendment to the approved Noxious Plant Monitoring Plan will be necessary. Implementation of the SMP will not impact UPPCO efforts to monitor and mitigate the spread of noxious plants.

6.2 ARTICLE 410: THREATENED AND ENDANGERED SPECIES MANAGEMENT PLAN

FERC approved the Threatened and Endangered Species Management Plan on December 17, 1996. Under the provision of the Plan, UPPCO is required to address management of bald eagle and management measures for federally protected plant species and state-designated populations and habitats. Surveys conducted in 2006 revealed that there were no active eagle nests on the Boney Falls impoundment. UPPCO maintains an ongoing program to ensure the protection of unique plant communities by incorporating the specific descriptions and locations of protected plant species and habitats into a Geographic Information Systems database.

Under this proposed SMP, known threatened and endangered species have been mapped and included into the SMP classification "Conservation" (see Sections 7.2 and 9.5) to protect them. As such, they are afforded protection therein. UPPCO proposes to continue to manage threatened and endangered species at Boney Falls in accordance with the approved plan. Implementation of the SMP will further UPPCO requirements to protect habitat for threatened and endangered species by placing 31.1 % of project lands at the Boney Falls impoundment into Conservation.

6.3 ARTICLE 412: RECREATION PLAN

FERC approved UPPCO's Recreation Plan on May 4, 1999. Under the provisions of the plan, UPPCO is required to implement various recreational enhancements at the project.

As discussed in greater detail in Sections 8 and 9, UPPCO has proposed to fund numerous recreational enhancements for the general public as part of the proposed SMP. These additional enhancements will assure that adequate recreational access is provided at the Boney Falls impoundment. The majority of the proposed recreational enhancements have been developed through consultation with local government officials, agencies, and members of the public, including two specially formed focus groups. As is discussed in Section 7, specific lands within the project boundary of the Boney Falls impoundment where existing facilities are sited, and where new enhancements would be located, have been classified as "General Use/Formal Recreation" areas. Existing recreation facilities and newly identified facilities were sited within this SMP classification to avoid sensitive environmental resources and ensure that these uses are consistent with the objectives of the Threatened and Endangered Species Management Plan and the Wildlife Management Plan.

UPPCO is proposing to amend the Recreation Plan to include the recreational enhancements specified in the SMP. UPPCO is also proposing to amend the Recreation Plan to clarify that recreation enhancements, policies, and development guidelines specified in the SMP are consistent with the objectives of the Threatened and Endangered Species Management Plan and the Wildlife Management Plan.

Requested amendments to the Article 412 Recreation Plan:

Page 2 -- insert new second paragraph under "Coordination with Other Resource Plans"	"The recreational enhancements proposed for the Boney Falls impoundment are consistent with the policies, shoreline classifications, and development guidelines specified in the Shoreline Management Plan for Boney Falls, and the objectives of the Threatened and Endangered Species Management Plan and the Wildlife Management Plan."
Page 12 -- add new heading and text under "Coordinated Sign System" entitled "Additional Recreational Enhancements"	"Additional recreational enhancements at the Boney Falls impoundment, and the schedules for implementation, are outlined in Table 2."
Add new Table 2 (see SMP Table 9-1)	Add Table 2

6.4 ARTICLE 413: LAND USE MANAGEMENT PLAN

FERC approved the Land Use Management Plan on April 18, 1996. Under the provisions of the approved plan, management of project lands is specified according to timber production, facility development, and public access. A buffer zone was also delineated on project lands within 200 feet of the project impoundments. Timber harvesting is permitted on all project lands outside the 200-foot-buffer zone.

UPPCO proposes to classify lands within the entire project boundary of the Boney Falls impoundment to preserve and protect the project's land and water resources while providing for hydropower operations, future recreational enhancements, and lake access by the general public and adjacent landowners. As part of this effort, UPPCO proposes to prohibit all timber harvesting practices.

Under this proposed SMP, the SMP would supercede provisions of the Land Use Management Plan for the Boney Falls impoundment. UPPCO proposes to amend the approved Land Use Management Plan to specifically exclude the Boney Falls impoundment from the Plan because the proposed SMP prohibits all timber harvesting within the project boundary of the Boney Falls Development.

Requested amendments to the Article 413 Land Use Management Plan:

Page 1 -- Revise first sentence under "Objectives" to read:	"The purpose of the land use plan is to establish guidelines for various land use activities on lands owned by the Licensee within and adjacent to the project boundaries. The plan is applicable only to lands owned by the Licensee within and immediately adjacent to the project boundaries of Dam 3 and Dam 1. Lands within and adjacent to project boundary of Boney Falls are addressed in the Boney Falls Shoreline
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Management Plan.”

6.5 ARTICLE 416: WILDLIFE MANAGEMENT PLAN

FERC approved the Wildlife Management Plan on December 17, 1996. The purpose of the plan is to describe management policies and actions to enhance and protect wildlife within the project boundaries. Areas specifically designated for wildlife management fall within the 200-foot buffer zone of the land use management plan.

UPPCO proposes to classify lands within the entire project boundary of the Boney Falls impoundment to preserve and protect the project’s land and water resources while providing for hydropower operations, future recreational enhancements, and lake access by the general public and adjacent landowners. As part of this effort, UPPCO proposes to prohibit all timber harvesting practices.

UPPCO proposes to continue to manage wildlife at the Boney Falls impoundment in accordance with the approved plan. Implementation of the proposed SMP would further UPPCO’s ability to enhance and protect wildlife resources. No amendment to the approved Wildlife Management Plan will be necessary.

7.0 SHORELINE MANAGEMENT PLAN CLASSIFICATIONS AND GUIDELINES

7.1 SHORELINE CLASSIFICATION SYSTEM

Throughout the spring and summer of 2006, UPPCO conducted field investigations to supplement resource information at the Boney Falls impoundment. Prior to work being conducted, scopes of work for these investigations were posted on UPPCO's web site, and agency, local government officials, and public input was solicited (See Section 12.0). Based on agency/public input, changes were made to the proposed scopes of work, and field investigations were initiated.

Resource information included data on formal and informal recreation facilities, loon habitat, wildlife and aquatic species and habitat, and aesthetics. The objectives of this work included:

- To review and map existing recreation facilities;
- To gather all readily obtainable, existing information on wildlife and aquatic habitat/species associated with the Boney Falls impoundment and FERC project lands;
- To map and document new occurrences of habitat and species of interest observed during the fieldwork effort;
- To evaluate and map potential loon nesting habitat;
- To conduct fieldwork to verify the presence and condition of existing data;
- To map and identify areas considered to have high aesthetic value based upon the data collected in the 2006 environmental studies; and
- To use data collected to develop natural resource inventory maps/databases for each impoundment.

Based on the resource information collected during the field investigations, maps were created to document the resources inventory. The results of these investigations and accompanying resource maps are captured in the reports *Assessment of the Recreation, Wildlife, and Aesthetic Resources of the Boney Falls Impoundment* (E/PRO 2006).

The resource inventory data layers from the field investigations were used and overlaid on digital ortho-rectified aerial photography. These maps served as the primary aid in the classifying Shoreline Management Plan areas at the Boney Falls impoundment. In addition to classifying shoreline areas, UPPCO utilized resource inventory data to identify acceptable dock areas on the shoreline of the Boney Falls impoundment.

7.2 SHORELINE CLASSIFICATION AREAS

In consultation with the governmental agencies and local stakeholders, UPPCO used the resource maps to develop four shoreline classifications for the Boney Falls impoundment: Conservation – Limited Public Trail Areas, Conservation – Limited Public Path and Limited Enhanced View Areas, General Use/Formal Recreation Areas, and Project

Operations Areas (Table 7-1). The classifications were developed to protect and enhance the project's land and water resources while providing for hydropower operations, future recreational enhancements, and lake access by the general public and adjacent landowners. Through the shoreline classification system, landowners immediately adjacent the project boundary will be informed about the types and density of shoreline access that will be allowed in the future within the UPPCO project boundary for the Boney Falls impoundment.

The Conservation – Limited Public Trail Area classification was assigned to areas within the project boundary that have been set aside for conservation purposes only, in many cases above and beyond the current requirements of the license. With the possible exception of a low-impact public trail (see Section 8.2), and any management deemed necessary by the resource agencies to move towards preserving or enhancing forest resources, these areas are not to be disturbed. Conservation – Limited Public Trail Areas typically include identified rare, threatened, or endangered species habitat, wetlands, cultural resource, and/or other highly sensitive terrestrial or aquatic habitat. The Conservation – Limited Public Trail Areas that will not contain any dock structures and comprise 19.0 % of the shoreline and 18.6 % of the lands within the project boundary at the Boney Falls impoundment (See Map 7-1).

The Conservation – Limited Public Path and Limited Enhanced View Area classification was assigned to lands within the project boundary where paths from the adjacent non-project land owners will lead to shoreline areas suitable for the placement of seasonal individual and cluster docks and the creation of enhanced view areas. To the extent possible, new path development will follow existing paths, trails, or roads, and should be commonly shared by abutting land owners. Other restrictions on path construction are outlined in Section 7.3.3.1. These are approximately 16.7 % of the shoreline and 12.5 % of the lands within the Boney Falls impoundment. The Limited Public Path and Limited Enhanced View designation represents the areas where the pathways or enhanced view areas could be placed. The actual acreages occupied by paths at a maximum width of four feet is very small, a calculation of the actual area impacted by pedestrian paths is not possible at this time.

The General Use/Formal Recreation Area classification was assigned to areas within the project boundary with existing and proposed formal recreation areas that are not otherwise classified as Conservation – Limited Public Trail, Enhanced View, Conservation – Limited Public Path and Limited Enhanced View, or Project Operations. In these areas, the reasonable construction of recreation areas/facilities, pedestrian paths, roads, enhanced view areas, motorized vehicle trails, along with the placement of docks and seasonal dock storage is also permitted in designated areas and will have little or no detrimental impact upon the current environmental conditions and habitat established within the classification. The locations of these areas were carefully planned based upon data collected as part of the 2006 environmental studies. UPPCO is required to maintain these roads according to County specifications. Proposed recreational enhancements would occur in these areas (see Section 8). The General Use/Formal Recreation Areas

comprise 7.1 % of the shoreline and 8.0 % of the land within the Boney Falls Project boundary.

The Project Operations Area classification was assigned to lands that are currently occupied by hydropower generation and transmission and related structures or facilities that are necessary for the operation of the Boney Falls impoundment. The construction of recreation areas/facilities, roads, pedestrian paths, enhanced view areas and motorized vehicle trails, along with the placement of dock structures are also permitted in Project Operations Areas as they will have little or no detrimental impact upon the current environmental conditions and habitat established within the classification. Project Operations Areas comprise 50.0 % of the shoreline and 23.9 % of the lands within the project boundary of the Boney Falls impoundment.

Should additional lands be required outside of the Project Operations Areas for the continued safe operation at Boney Falls, UPPCO will prioritize the use of lands that are located in the General Use/Formal Recreation Area; however, any lands within any of the classifications might be required for project purposes as required by FERC.

TABLE 7-1: SHORELINE CLASSIFICATION AREAS BY PERCENT

Shoreline Classification Area	% of Shoreline	% of Project Boundary
Conservation – Limited Public Trail	19.0 %	18.6 %
Conservation – Limited Public Paths and Limited Enhanced View	16.7 %	12.5 %
General Use/Formal Recreation	7.1 %	8.0 %
Project Operations	50.0 %	23.9 %

The shoreline area designations by classification type for the Boney Falls impoundment are shown on Maps 7-1A and 7-1B.

7.3 SHORELINE MANAGEMENT PLAN DEVELOPMENT GUIDELINES

The following sections list permissible and prohibited uses within UPPCO lands and waters at the Boney Falls impoundment by the general public. The permissible and prohibited uses describe major uses of the waters and lands and are not intended to cover all activities.

Permissible uses are subject to the express written approval of UPPCO in the form of a permit and/or Non-exclusive License Agreement (NLA) (described in Section 10).

7.3.1 Prohibited Activities

UPPCO prohibits any use or activity conducted without prior UPPCO written permission for that use or activity. The following activities are prohibited by anyone other than UPPCO on its property within the project boundary at the Boney Falls impoundment. The activities include, but are not limited to:

- Any use or activity conducted without prior UPPCO written permission for that use or activity.
- The construction of permanent structures or improvements, except those authorized via a permit or NLA. Prohibited permanent structures include, but are not limited to, buildings, houses, porches, decks or any building extensions, storage sheds, boathouses, paved or concrete walks or driveways, plain concrete walls and steps, drainage piping, game courts, gazebos, fire pits or fire rings, and fences, barriers, or other obstructions that are intended to prohibit public access to UPPCO project lands.
- The construction of paved, concrete or loose stone/gravel roads, boat ramps, or parking lots within Enhanced View Areas and Conservation areas.
- Storage of docks and access ramps on any project lands other than those that are so designated.
- Other than snowmobile use in the winter, or according to the requirements in Section 7.3.3.3, the use or parking of motorized vehicles except at designated recreation areas, existing roads and project operations areas, and as necessary for the launching and removal of boats or the drop-off and pickup of boating supplies, or as needed for access by people with disabilities.
- Vegetation removal or installation of any sort unless allowed under a permit.
- The burning or piling of brush or organic material such as compost, grass clippings or leaves.
- The raking of leaves into the impoundments, i.e., below the normal high-water mark of the impoundment.
- The construction of wastewater disposal facilities such as, but not limited to, septic tanks, drain fields, underground pipes, and portable toilet facilities.
- The routing of storm-water drainage onto UPPCO land or into the waters of the impoundments through open ditches or drains without UPPCO permission.
- The discharge of any septic effluent onto UPPCO land or into the waters of the impoundments from septic systems or other sources.
- The installation or use of rail launches for boats.
- The storage of gasoline, oil, propane, or other combustible materials.
- The overnight placement of lawn furniture, picnic tables, playground equipment such as a swing set or slide, or flagpole placement on UPPCO property.
- The placement of floating rafts used for purposes other than docking.
- The placement and use of boat lifts.
- The installation of permanent electrical dock lighting and electric service.
- Placement of fill or structures on or in intermittent or perennial streams or wetlands on UPPCO property under a permit is strictly prohibited.

- Any use, activity, or encroachment that in UPPCO's judgment interferes with the enjoyment of UPPCO lands and the impoundment by the general public or by neighboring property owners.
- Any other use that UPPCO determines will degrade the scenic, recreational, or environmental value of the Boney Falls impoundment. Any such determination lies with the sole and uncontestable discretion of UPPCO.

Construction activities are not prohibited, but shall be in accordance with all applicable laws, building codes, regulations, and ordinances.

- In addition, such facilities must be installed on the UPPCO property as close as feasible to directly fronting the permittee's property.
- In no case shall any work create conditions that would cause erosion on UPPCO lands or sediment to enter waterways or the lake.
- All activities on UPPCO property must be done so as to minimize the removal of live trees or brush.

7.3.2 Permittable Activities

People listed on property deeds as owners of residential property that is immediately adjacent to UPPCO-owned land within the project boundary of the Boney Falls impoundment, and that maintain such property for non-commercial use, are afforded the opportunity to request that UPPCO grant a permit or NLA to allow additional non-exclusive uses of UPPCO project land. An UPPCO-approved permit or NLA issued to the eligible property owner authorizes the following activities on UPPCO property or the impoundment, unless expressly prohibited and/or additionally limited by UPPCO in the approved permit or by any other UPPCO written notice:

- The creation of a pedestrian path and associated stairs and elevated wooden walkways to be constructed according to the requirements listed in Section 7.3.3.1.
- The installation of a dock and an access ramp to the dock (See Section 7.3.3.2).
- The creation of enhanced view areas. (See Section 7.3.3.3).

The above standard activities are subject to the design criteria listed below. Non-compliance with the design criteria will be considered a violation of this policy and may lead to the cancellation of the permit or Non-Exclusive License Agreement (NLA), as well as required removal of all encroachments and/or remediation of damages incurred. An on-site visit by UPPCO may be required prior to and/or during any permitted installation activities.

7.3.3 Design Criteria

The criteria listed below for specific permitted uses are summarized below.

7.3.3.1 Pedestrian Paths

Paths may be permitted to provide walking access to the high-water mark of the lake and, in some cases, may interconnect with a public trail. These paths will be available for use by the general public. Where practicable, UPPCO may direct a single path to serve multiple residential areas. Installation of a new path, or maintenance of an existing path, is subject to the following:

- To the extent possible, new path development should follow existing paths, trails, or roads and should be commonly shared by abutting land owners.
- Where feasible, new paths should not be laid out in a straight line; rather they should meander through the woodland to a reasonable extent taking into consideration topography, visual impact, and natural features in an effort to reduce the need for vegetation trimming, adverse aesthetic impacts and shoreline erosion.
- Paths are for pedestrian use only; no motorized vehicles are permitted on the paths except for project maintenance and enforcement action as directed by UPPCO.
- Paths will be no more than four (4) feet in width.
- Paths will be developed and maintained in a manner that avoids where possible, and otherwise minimizes, the removal of vegetation; with the exception of trees that are deemed hazardous, only brush less than two (2) inches in diameter at a height of five (5) feet and/or tree limbs below a height of eight (8) feet within the four (4) foot width of the path may be removed. In addition, no eastern hemlock, den cavity/nesting trees, wolf trees, and/or fruit and mast bearing trees will be removed or trimmed.
- Only natural woodchips and/or bark may be used to improve the path. No other materials including, but not limited to, stone, brick, gravel, sand, stepping stones, flagstone, and colored stones, or any other materials, may be used on the paths.
- In limited instances where extreme topography or sensitive ecological areas warrant, steps or wooden walkways may be incorporated into a pedestrian path.
- Steps and elevated walkways shall not be more than two (2) feet above the contour of the ground.
- Enhanced view areas according to the requirements of Section 7.3.3.3 may also be constructed in the pedestrian path area.

7.3.3.2 Docks

A dock is a seasonal/temporary structure connected to the shoreline by a walkway/access ramp and is most often used for mooring boats. A permit or NLA may grant the permittee permission to install an individual dock or a cluster dock of 10 or less slips in which no individual parcel owner may occupy more than one slip. The following is

consistent with the State of Michigan Guidelines for docks and defines UPPCO's criteria for all residential docks:

- A dock may not obstruct the free flow of water or include any features which trap or accumulate aquatic plants or sediment.
- A dock may be floating or freestanding.
- To the greatest extent possible, the docks and the access ramp shall be of natural tone colors so as to blend into the natural shoreline.
- Access ramps to docks must be removable and shall not have railings.
- Docks shall not be placed in the water prior to Memorial Day weekend of each year and docks and access ramps must be removed from the water by October 15 of each year.
- All docks shall either be securely anchored with mooring cable or chain, or secured to a subsurface removable support frame. Such support frames may have wheels for ease of manual installation and removal.
- UPPCO's dock permit number must be displayed on all sections of a permitted dock. The number must be located so as to be visible from a boat on the lake.
- Permittees are responsible for maintaining docks in a safe manner.
- During the period from October 16 to just prior to Memorial Day weekend, docks and access ramps cannot be present on the project land unless they are specifically authorized by UPPCO and the stored docks are located within areas so designated for dock storage.
- The removal of any submerged/emergent aquatic vegetation or submerged substrate or woody debris for the placement of the dock is prohibited.

In addition to the criteria listed above, individual and cluster docks must meet the following criteria, as specified in the permit or NLA:

Individual Dock

- Individual docks may be installed in order to achieve a maximum depth of 10 feet (as measured at the end of the dock) at the normal summer high water elevation, but in no case shall an individual dock exceed 60 feet in length (combination of access ramp and dock) measured from the shore out into the impoundment.
- Individual docks may not exceed five (5) feet in width. This width is sufficient for the safe loading of gear and passengers.
- Individual floating dock configurations shall generally conform to the schematic diagram in Figure 7-1.
- Individual non-floating dock configurations shall generally conform to the schematic diagram in Figure 7-4.
- Only one watercraft may be stored overnight at each individual dock.

Cluster Dock

- Cluster docks may be installed in order to achieve a summer maximum depth of 10 feet (as measured at the end of the dock/slip) at the normal summer high water elevation, but in no case shall the overall length of the cluster dock exceed 150 feet (combination of access ramp and dock).
- Dock sections may not exceed five (5) feet in width. This width is sufficient for the safe loading of gear and passengers.
- Cluster docks may not accommodate more than 10 boats.
- Cluster dock configurations shall generally conform to the schematic diagrams in either Figure 7-2 or Figure 7-3, depending on shoreline bathymetry and on-site environmental conditions.
- Only one watercraft may be stored over night in each individual boat slip.

7.3.3.3 Enhanced View Areas

Enhanced view areas on project lands at the Boney Falls impoundment shall be developed in the following manner:

- Any enhanced view area activities require prior written approval from UPPCO.
- As measured from the outer edge of the project boundary, enhanced view areas shall be no longer than 200 feet in length and no more than 40 feet in width. If the distance from the Project Boundary to the water is greater than 200 feet, UPPCO will determine the feasibility of establishing an enhanced view area.
- The enhanced view area may be created by removing brush of less than two (2) inches in diameter at a height of five (5) feet above ground level and/or the trimming of tree limbs as approved by UPPCO. In addition, no eastern hemlock, den cavity/nesting trees, wolf trees, and/or fruit and mast bearing trees may be removed or trimmed in the enhanced view areas.
- No ground disturbing activity is allowed in the development or maintenance of the enhanced view area; stump removal is not permitted.



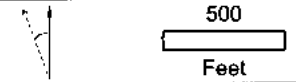
Project Boundary Extent Map



- Legend**
- SMP Classification (Section 7.2)**
- Project Operations
 - Conservation - Limited Public Trail
 - Conservation - Limited Public Path and Limited View Enhancement Area
 - General Use / Formal Recreation Area
 - Project Operations*
- Substrate**
- Boulder
 - Coarse Woody Debris
 - Cobble
- NWI Class**
- Parkstone Emergent Perennial
 - Parkstone Scrub-Shrub Broad-Leaved Deciduous
- Wildlife Structures**
- BAT
 - OSPREY
 - BLUEBIRD
 - WOOD DUCK
 - MALLARD
- Recreation Sites**
- Formal Recreation Site
 - Informal Recreation Site
- Other Features**
- Project Boundary
 - Acceptable Dock Zone
 - Roads
 - Trails
 - Fish spawning
 - Fish structure
 - Submerged Aquatic Vegetation
 - Dock Storage
- * Project Operations with this designation are not currently owned by Upper Peninsula Power Company

- Field Observations: EPRO (2006)**
- 1 Canada Goose
 - 2 Osprey
 - 3 Wood Duck (Hen & 3 Ducklings)
 - 4 Green Heron
 - 5 Red Necked Grebe
 - 6 Logs (10-15)
 - 7 Waterfowl Roost
 - 8 Mallard Platform
 - 9 Coarse Woody Debris
 - 10 Fawns (2)
 - 11 Mink
 - 12 Raptor
 - 13 Eagle/Osprey Perch (DNA Data)
 - 14 Purple Martin House
 - 15 Yellow Perch Brush (Fish Spawning)
 - 16 Various Birds Observed

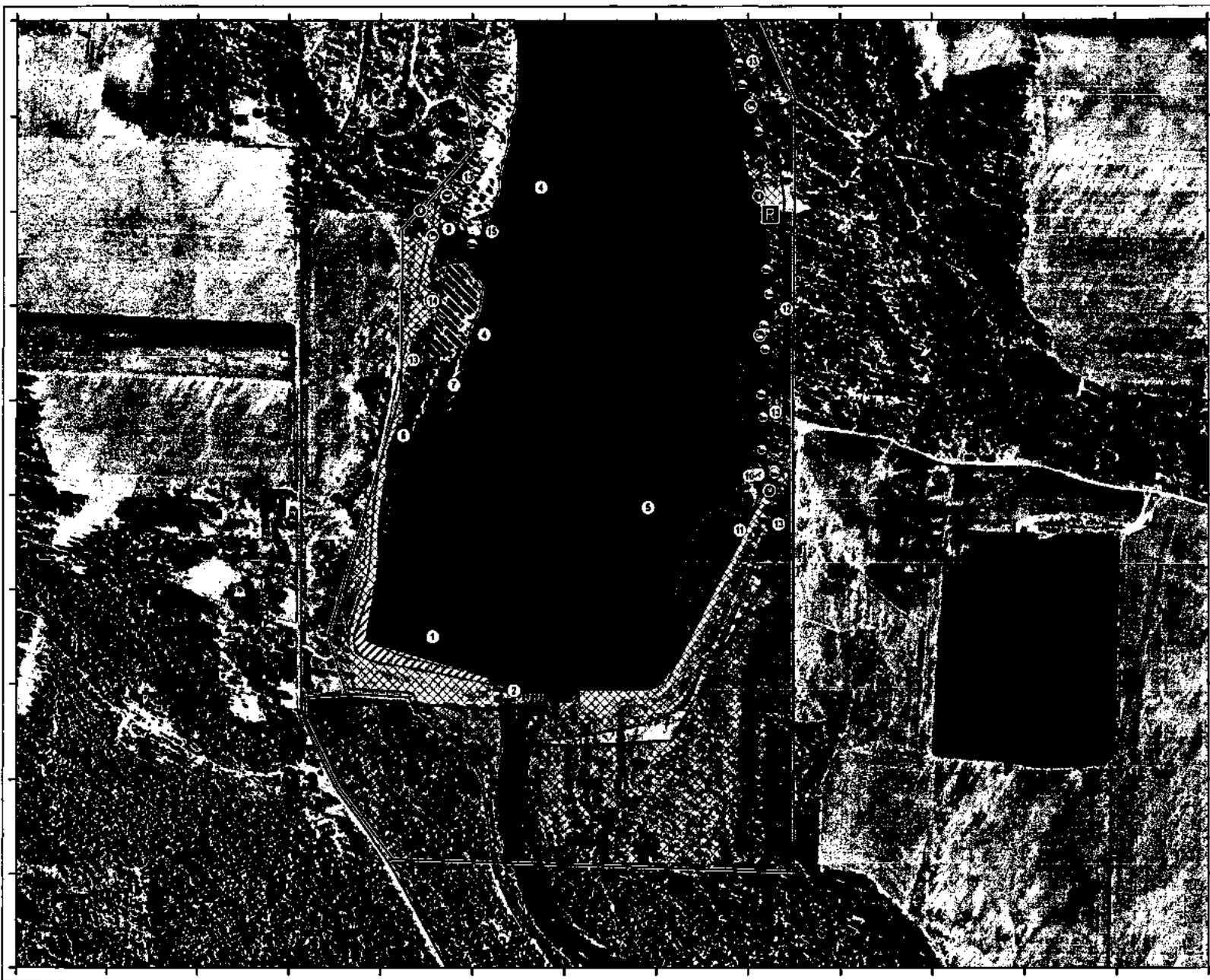
Data Notes:
 1998 Aerial Photo, View Extent: Michigan Center for Geographic Information
 Project Boundary: Provided by UPPCO, derived from November 2005 Exhibit G drawings
 Project Boundary features depicted on Exhibit G drawings are required to be positionally accurate to +/- 40 ft.



UPPER PENINSULA POWER COMPANY
 SUBSIDIARY OF WPS RESOURCE CORP.
 GREEN BAY, WISCONSIN
 BONEY PROJECT
 FERC NO 1864
 BONEY SHORELINE MANAGEMENT PLAN - DETAIL
Map 7 - 1A

249 Western Ave
 Augusta, ME 04330
TRC
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INFORMATION DEPICTED HEREON IS FOR REFERENCE PURPOSES ONLY AND IS COMPILED FROM BEST AVAILABLE SOURCES. TRC ASSUMES NO RESPONSIBILITY FOR ERRORS ARISING FROM MISUSE OF THIS MAP.

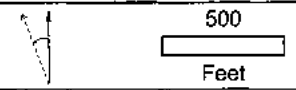


Project Boundary Extent Map



Legend		Field Observations: E/PRO (2006)
SMP Classification (Section 7.2)		
	Project Operations	1 Canada Goose
	Conservation - Limited Public Trail	2 Osprey
	Conservation - Limited Public Path and Limited View Enhancement Area	3 Wood Duck (Hen & 3 Ducklings)
	General Use / Formal Recreation Area	4 Green Heron
	Project Operations	5 Red Necked Grebe
Substrate		
	Boulder	6 Logs (10-15)
	Coarse Woody Debris	7 Waterfowl Roost
	Cobble	8 Mallard Platform
NWI Class		
	Palustrine Emergent Perennial	9 Coarse Woody Debris
	Palustrine Scrub-Shrub Broad-Leaved Deciduous	10 Fawns (2)
Wildlife Structures		
	BAT	11 Mink
	BLUEBIRD	12 Raptor
	OSPREY	13 Eagle/Osprey Perch (DNA Data)
	WOOD DUCK	14 Purple Martin House
	MALLARD	15 Yellow Perch Brush (Fish Spawning)
Recreation Sites		
	Formal Recreation Site	16 Various Birds Observed
	Informal Recreation Site	
	Project Boundary	
	Accessible Duck Zone	
	Roads	
	Trails	
	Fish spawning	
	Fish structure	
	Submerged Aquatic Vegetation	
	Duck Storage	

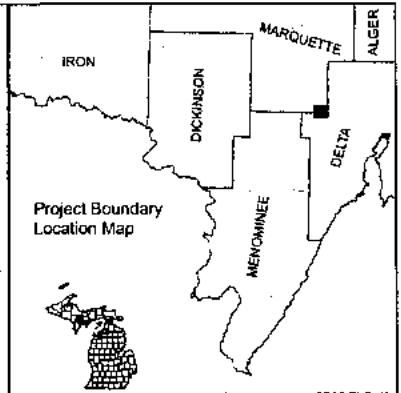
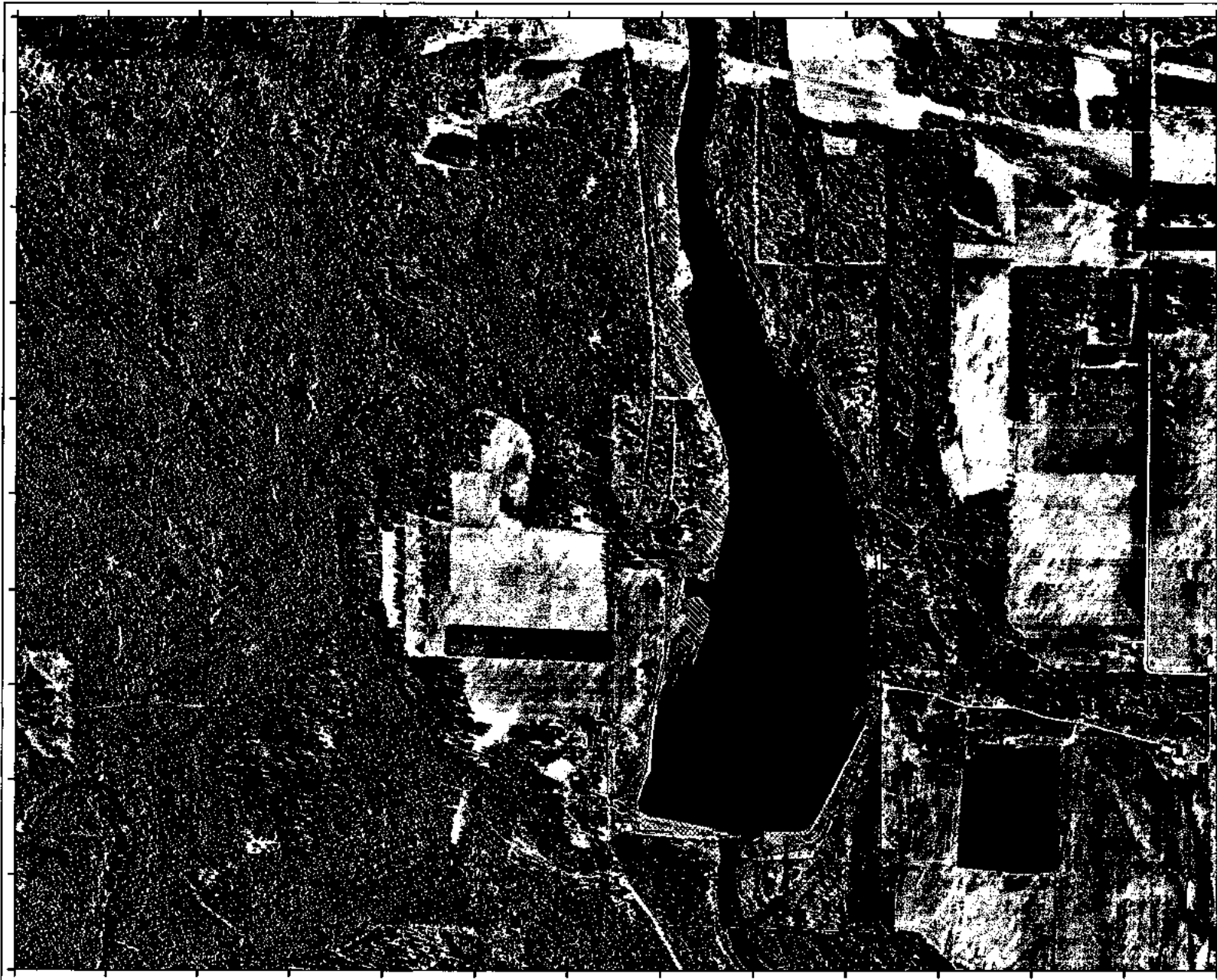
Data Notes:
 1986 Aerial Photo, View Extent, Michigan Corlex for Geographic Information.
 Project Boundary: Provided by UPPCO, derived from November 2005 Exhibit G drawings.
 Project Boundary features depicted on Exhibit G drawings are required to be positionally accurate to +/- 40 ft.



UPPER PENINSULA POWER COMPANY
 SUBSIDIARY OF WPS RESOURCE CORP.
GREEN BAY, WISCONSIN
BONEY PROJECT
 FERC No 1864
 BONEY SHORELINE MANAGEMENT PLAN - DETAIL
Map 7 - 1B

249 Western Ave
 Augusta, ME 04330 Created: 11/29/2007 10:42:08 AM






INFORMATION DEPICTED HEREON IS FOR REFERENCE PURPOSES ONLY AND IS COMPILED FROM BEST AVAILABLE SOURCES. TRC ASSUMES NO RESPONSIBILITY FOR ERRORS ARISING FROM MISUSE OF THIS MAP.



Legend

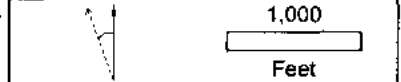
- Project Boundary

SMP Classification (Section 7.2)

-  Project Operations
-  Conservation - Limited Public Trail
-  Conservation - Limited Public Path
-  General Use / Formal Recreation Area
-  Project Operations*

* Project Operations with this designation are not currently owned by Upper Peninsula Power Company.


Data Notes:
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 Project Boundary: Provided by UPPCO, derived from November 2005 Exhibit G drawings.
 Project Boundary features depicted on Exhibit G drawings are required to be positionally accurate to +/- 40 ft.



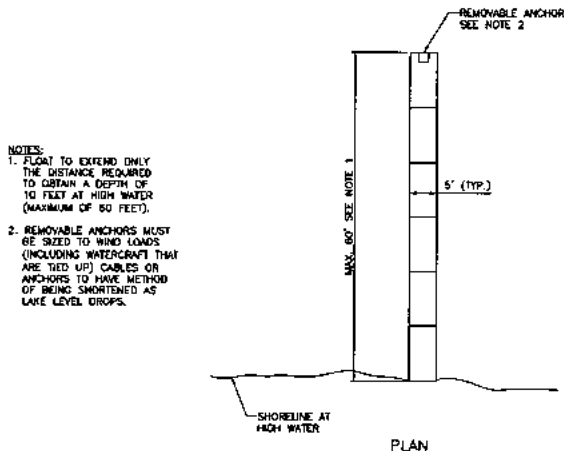
**UPPER PENINSULA
 POWER COMPANY**
 SUBSIDIARY OF UPPS RESOURCE CORP.
 GREEN BAY, WISCONSIN

BONEY PROJECT
 FERC No. 1864

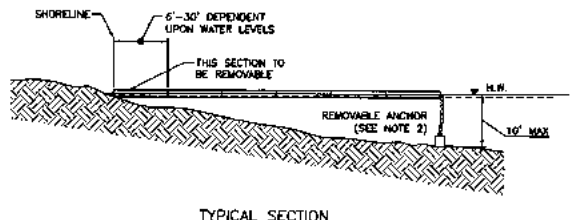
BONEY SHORELINE CLASSIFICATION AREAS - OVERVIEW
Map 7 - 1C

248 Western Ave
 Augusta, ME 04330  Created:
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- NOTES:**
1. FLOAT TO EXTEND ONLY THE DISTANCE REQUIRED TO OBTAIN A DEPTH OF 10 FEET AT HIGH WATER (MAXIMUM OF 60 FEET).
 2. REMOVABLE ANCHORS MUST BE SIZED TO WIND LOADS (INCLUDING WATERCRAFT THAT ARE TIED UP) CABLES OR ANCHORS TO HAVE METHOD OF BEING SHORTENED AS LAKE LEVEL DROPS.



TYPICAL SECTION

TYPICAL CONCEPT SCHEMATIC DRAWING OF INDIVIDUAL FLOATING DOCK



E-PRO Engineering & Environmental Consulting, LLC
 200 West Park Avenue, Suite 200, Green Bay, WI 54903
 Phone: (920) 833-1111 Fax: (920) 833-1112
 www.e-pro-engineering.com

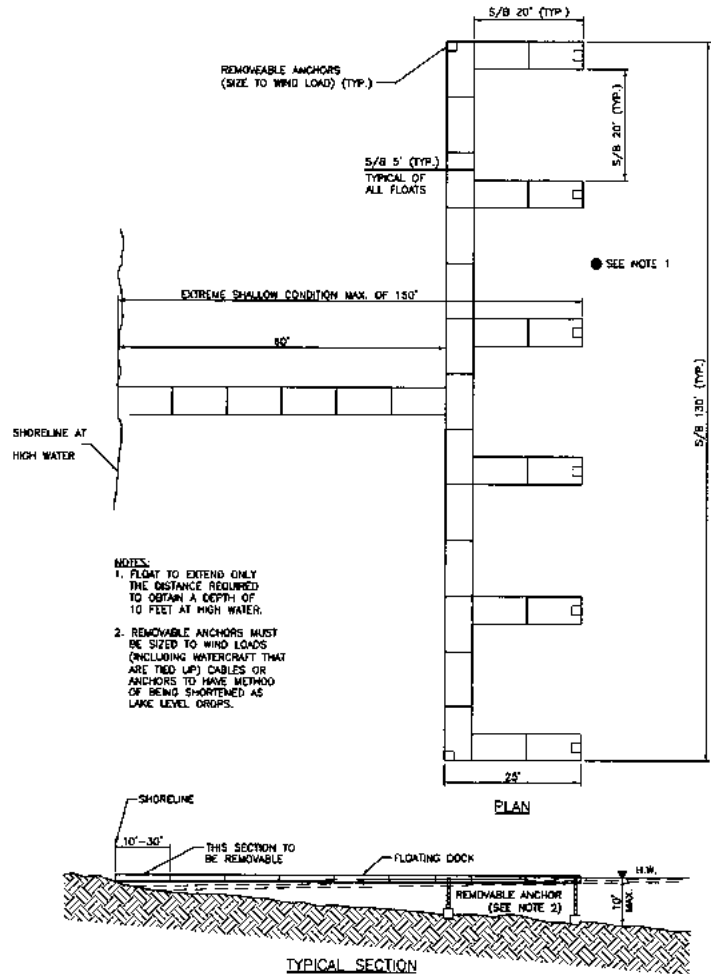
NOTES
 ACTUAL CONFIGURATION & DESIGN MAY VARY FROM THE
 CONCEPT SCHEMATICS.

NO.	REVISION	DATE	BY	CHK	P.F.	P.E.
					No.	No.
1	ISSUED FOR REVIEW	07/22/07	JLR			

CLIENT APPROVAL	DATE

UPPER PENINSULA POWER COMPANY
 Subsidiary of WPS Resources Corp.
 GREEN BAY, WISCONSIN

12306-C1
 Fig. 7-1



- NOTES:
1. FLOY TO EXTEND ONLY THE DISTANCE REQUIRED TO OBTAIN A DEPTH OF 10 FEET AT HIGH WATER.
 2. REMOVABLE ANCHORS MUST BE SIZED TO WIND LOADS (INCLUDING WATERCRAFT THAT ARE TIED UP) CABLES OR ANCHORS TO HAVE METHOD OF BEING SHORTENED AS LAKE LEVEL DROPS.

TYPICAL CONCEPT SCHEMATIC DRAWING OF CLUSTER FLOATING DOCK



NOTE:
 ACTUAL CONFIGURATION & DESIGN MAY VARY FROM THE CONCEPT SCHEMATICS.

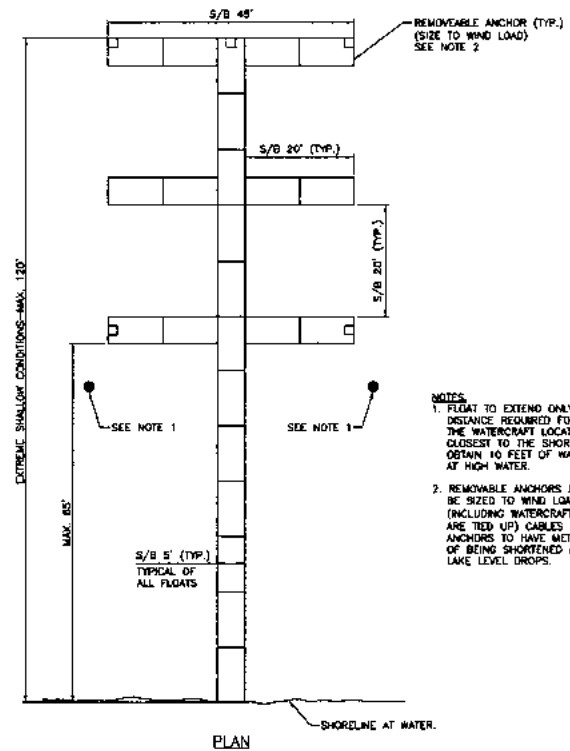
E-PRO Engineering & Environmental Consulting, LLC
 110 Madison Ave., Argonne, Illinois 60439
 PROJECT NO. 12306 (DRAWING NO. 12306-C1-Fig. 7-2)

NO.	REVISION	DATE	BY	CHK	P.L.	P.L. NO.
1	DESIGN FOR REVIEW	01/23/07	AKB			

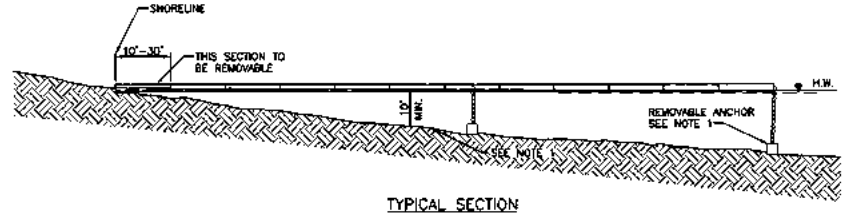
CLIENT APPROVAL	
DESIGNED BY	
CHECKED BY	
DATE	

UPPER PENINSULA POWER COMPANY
 Subsidiary of WPS Resources Corp.
 GREEN BAY, WISCONSIN

12306-C1
 Fig. 7-2



- NOTES**
1. FLOAT TO EXTEND ONLY THE DISTANCE REQUIRED FOR THE WATERCRAFT LOCATED CLOSEST TO THE SHORE TO OBTAIN 10 FEET OF WATER AT HIGH WATER.
 2. REMOVABLE ANCHORS MUST BE SIZED TO WIND LOADS (INCLUDING WATERCRAFT THAT ARE TIED UP) CABLES OR ANCHORS TO HAVE METHOD OF BEING SHORTENED AS LAKE LEVEL DROPS.



TYPICAL SECTION
TYPICAL CONCEPT SCHEMATIC DRAWING OF
CLUSTER FLOATING DOCK



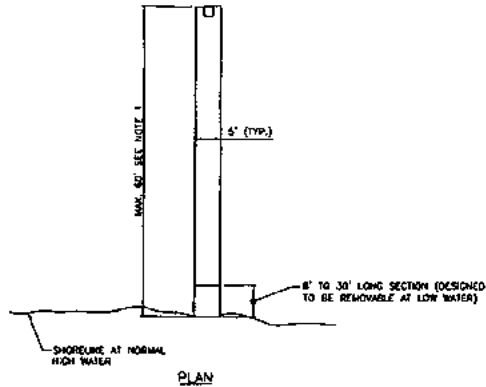
NOTE:
ACTUAL CONFIGURATION & DESIGN MAY VARY FROM THE
CONCEPT SCHEMATICS.

NO.	REVISION	DATE	BY	CHK	P.E.	P.A.
A	ISSUED FOR REVIEW	01/24/07	JLS			

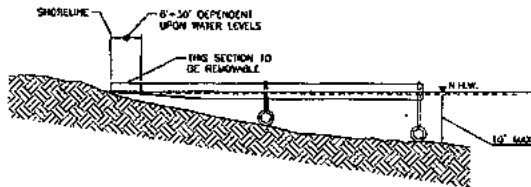
CLIENT APPROVAL	 JLS JOURNAL OF PROFESSIONAL ENGINEERING REVIEWED JLS JOURNAL OF PROFESSIONAL ENGINEERING	UPPER PENINSULA POWER COMPANY Subsidiary of WPS Resources Corp. GREEN BAY, WISCONSIN
DATE	01/24/07	
 SCALE AS SHOWN DATE 01/26/07		12306-C1 Fig. 7-3

E-PRO Engineering & Construction Consultants, LLC
 235 Main Street, Northbrook, IL 60062
 PHONE: 847.228.1100 FAX: 847.228.1101
 WWW.E-PRO.COM

- NOTES:
 1. DOCK TO EXTEND ONLY THE DISTANCE REQUIRED TO OBTAIN A DEPTH OF 10 FEET AT NORMAL HIGH WATER (MAXIMUM OF 80 FEET).
 2. BOAT LIFTS ARE OPTIONS AND NOT STANDARD.

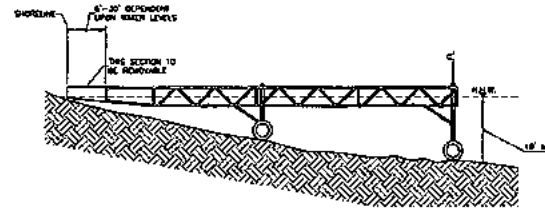


PLAN



TYPICAL SECTION

TYPICAL CONCEPT SCHEMATIC DRAWING OF INDIVIDUAL ROLL-IN FREE STANDING DOCK



TYPICAL SECTION
 TYPICAL CONCEPT SCHEMATIC DRAWING OF INDIVIDUAL DOCK



E-PRO Engineering & Construction Services, LLC
 1500 Wisconsin Ave., Suite 1000, Green Bay, WI 54903
 (920) 835-1100 FAX: (920) 835-1101 www.e-pro.com

NOTES
 ACTUAL CONFIGURATION & DESIGN MAY VARY FROM THE CONCEPT SCHEMATICS.

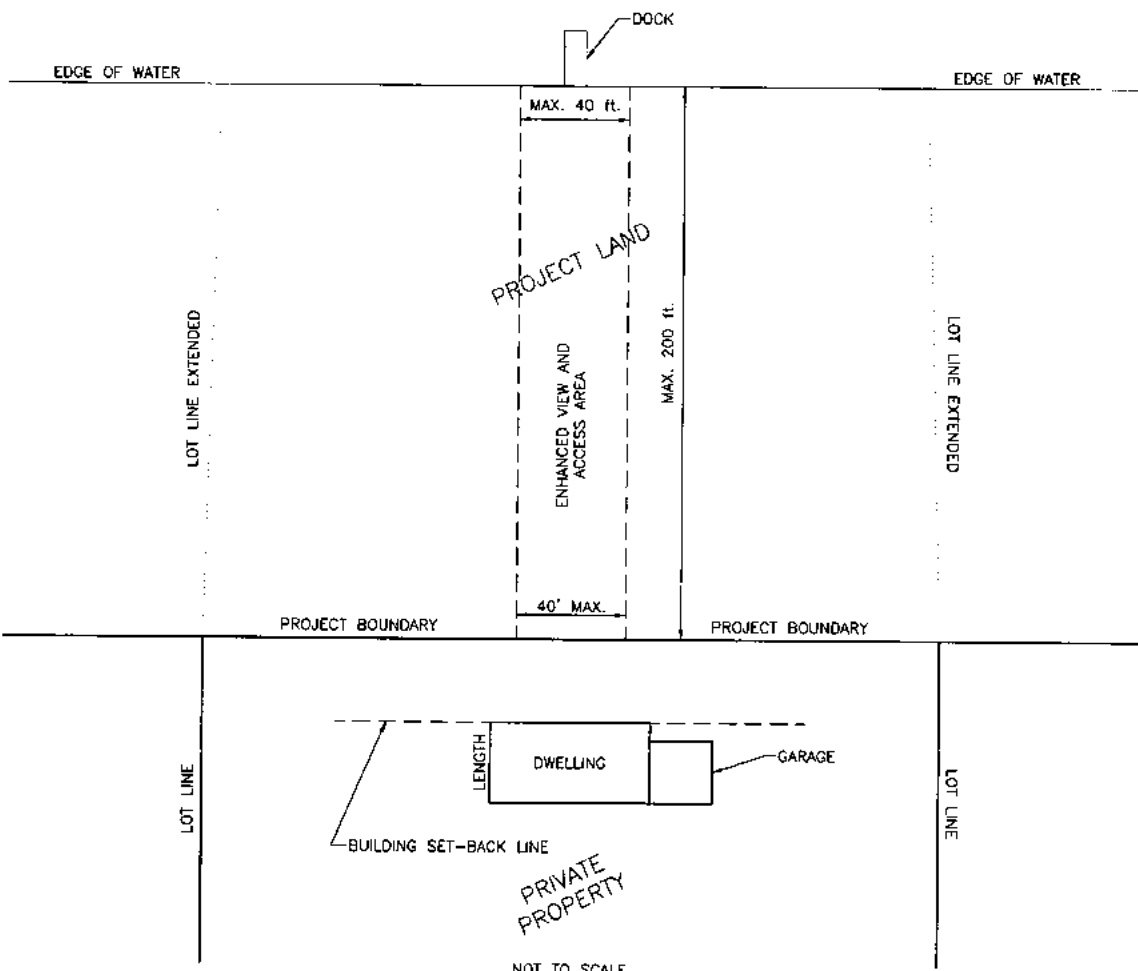
NO.	REVISION	DATE	BY	CHK	P.E. NO.	P.E. NO.
A	REVISION FOR REVIEW	04/23/04	AB			

CLIENT APPROVAL	DATE
DESIGNER	DATE
CHECKED	DATE
REVIEWED	DATE

UPPER PENINSULA POWER COMPANY
 Subsidiary of WPS Resources Corp.
 GREEN BAY, WISCONSIN
 FERC No. 1864

E-PRO Engineering & Construction Services, LLC
 1500 Wisconsin Ave., Suite 1000, Green Bay, WI 54903
 (920) 835-1100 FAX: (920) 835-1101 www.e-pro.com

12306-C1
 Fig. 7-4



COMMENTS

1. REMOVE UNRESTRICTED BRUSH LESS THAN 2 INCHES IN DIAMETER AT 5 FEET HIGH.
2. TRIM TREE LIMBS BELOW A HEIGHT OF 8 FEET.
3. INSTALL 4 FOOT WIDE MULCH WALKING PATH.
4. NO GROUND DISTURBING ACTIVITY IS ALLOWED IN THE DEVELOPMENT OR MAINTENANCE OF THE VIEW ENHANCEMENT AREA.
5. STUMP REMOVAL IS NOT PERMITTED.
6. DANGEROUS TREES CAN BE REMOVED.
7. AS MEASURED FROM THE OUTER EDGE OF THE PROJECT BOUNDARY, ENHANCED VIEW AREAS SHALL BE NO LONGER THEN 200 FEET IN LENGTH AND NO MORE THAN 40 FEET IN WIDTH. IF THE DISTANCE FROM THE PROJECT BOUNDARY TO THE WATER IS GREATER THAN 200 FEET, UPPCO WILL DETERMINE THE FEASIBILITY OF ESTABLISHING AN ENHANCED VIEW AREA.

NO.	REVISION	DATE	BY	CHK	REV.	P.E. NO.
A	ISSUED FOR REVIEW	06/02/07	A.S.			
B	ISSUED FOR REVIEW	06/20/07	A.S.			

CLIENT APPROVAL		ENHANCED VIEW AREA SCALE: NTS DATE: 02/02/07	12306-C1 Fig. 7-5	REV. B
	REVIEWED:			

E-PRO Engineering & Construction Consultants, LLC
 209 Madison Ave., Augusta, Maine 04302
 TEL: 603.733.1234 FAX: 603.733.1235
 www.e-pro-engineers.com

8.0 UPPCO DEVELOPMENT AND RECREATION ENHANCEMENT PROPOSALS

8.1 INDIVIDUAL AND CLUSTER DOCKS

Consistent with the Conservation – Limited Public Path and Limited Enhanced View Area classification discussed in Section 7, UPPCO proposes dock zones at the Boney Falls impoundment. Dock zones were established after a thorough review of the resource inventory information from the 2006 field investigations. The resource inventory data from the field investigations were overlaid on digital ortho-rectified aerial photography. Zones along the shoreline where seasonal docks could be placed without directly impacting sensitive resources (e.g., known or suitable rare, threatened, or endangered species habitat, cultural resource, and/or other highly sensitive habitat such as emergent wetlands and beds of submerged aquatic vegetation) were identified. UPPCO attempted to locate dock zones in areas to minimize impacts to aesthetic resources. The placement of individual or cluster docks in zones other than those identified on Map 7-1A and 7-1B is strictly prohibited.

Within the acceptable dock zones on Maps 7-1A and 7-1B, UPPCO has not identified individual and cluster dock locations. UPPCO utilized the literature-based boat carrying capacity methodology (*Assessment of the Recreation, Wildlife, and Aesthetic Resources of the Boney Falls Impoundment, E/PRO 2006*) to determine boat carrying capacity, and subsequently, an appropriate number of boat slips for the impoundment. Currently, a maximum of 24 private boat slips are proposed at the Boney Falls impoundment.

The exact configuration and location of docks will be determined by UPPCO at the time of actual placement based upon on-site environmental, bathymetric, and topographic conditions. In no case shall docks be placed in areas other than those so designated for docks.

8.2 RECREATIONAL ENHANCEMENTS

Through input from the members of the focus groups (see Section 12, Agency and Public Collaboration), local government officials, and the general public, UPPCO is planning numerous recreation enhancements within the project boundary of the Boney Falls Project as part of its overall Shoreline Management Plan. The majority of these recreation enhancements are not currently required as part of the approved Recreation Plan nor were they contemplated as part of any Form 80 recreation use and capacity study. These recreational enhancements are being proposed in support of existing formal recreation facilities to accommodate anticipated increased general public recreation use of the impoundment that will occur naturally and may occur as the result of anticipated development of non-project lands in the vicinity of the project and increased economic activity in the region. All recreation enhancements proposed herein will be designed and funded by UPPCO.

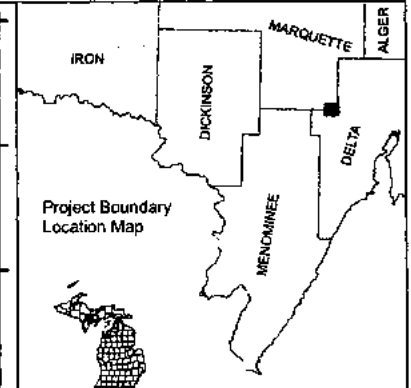
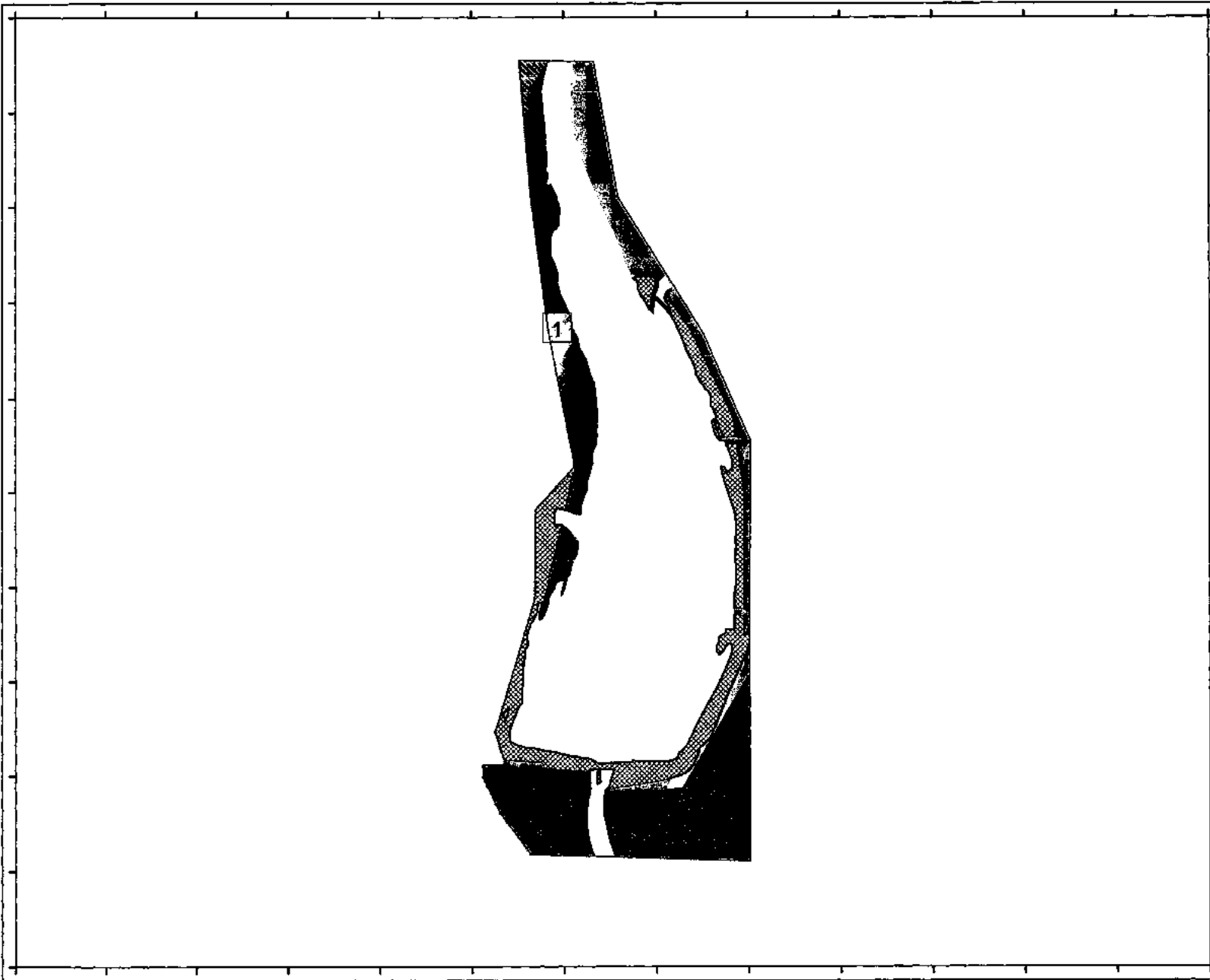
For the purposes of developing a schedule for recreational development, UPPCO has concentrated on providing amenities to existing formal public recreation facilities in order to upgrade and make the existing facilities more user-friendly and accessible. In addition, UPPCO considered public requests by regular users and considered levels of public and private recreational use associated with proposed non-project use of project lands. The locations of proposed recreational enhancements at the Boney Falls impoundment are shown on Map 8-1. Table 8-1 identifies the proposed enhancement by number and prioritizes implementation. UPPCO will implement plans to construct, operate, and maintain the recreational enhancements at the Boney Falls impoundment pursuant to the implementation schedule in Table 8-1.

TABLE 8-1: BONEY FALLS RECREATIONAL ENHANCEMENT IMPLEMENTATION SCHEDULE

Recreational Enhancement	Facility/ Enhancement ID	Implementation Schedule
Install a historical interpretive sign for public education and viewing.	1	1 -5 years after SMP approval
Develop a bathymetric map of the flowage for use by the general public.	2	1 -5 years after SMP approval
Develop a recreation brochure for Boney Falls and make it available to the general public.	3	1 -5 years after SMP approval
Install a public trail as part of a trail network around the impoundment.	4	1 -5 years after SMP approval

The public trail referenced in the recreational enhancements above was specifically requested by the public during SMP development outreach meetings. UPPCO will site the public trail to minimize impacts to sensitive environmental resources in consultation with the agencies.

The public trail would generally be located within 100 feet of the shoreline and would have a maximum width of six (6) feet. Additionally, the trail will be developed and maintained in a manner that avoids where possible, and otherwise minimizes, the removal of vegetation. In limited instances where extreme topography or sensitive ecological areas warrant, steps or wooden walkways may be incorporated into the public trail. UPPCO will use Best Management Practices when constructing the public trail and will install necessary measures to prevent the erosion of soil into the water. Some portions of the public trail may not be constructed after detailed planning if trail construction and/or operation may result in significant resource impacts.

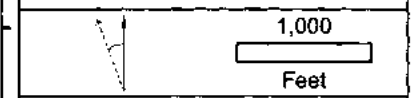


Legend

- Project Boundary
- SMP Classification (Section 7.2)**
- Project Operations
- Conservation - Limited Public Trail
- Conservation - Limited Public Path
- General Use / Formal Recreation Area
- Project Operations*
- Recreation Facility / Enhancement ID (See SMP Table 8-1)

* Project Operations with this designation are not currently owned by Upper Peninsula Power Company.
 ** Location of recreation enhancement number four will be determined based on approval of Shoreline Management Plan.

Data Notes:
 1998 Aerial Photo, View Extent, Michigan Center for Geographic Information.
 Project Boundary Provided by UPPCO, derived from November 2006 Exhibit G drawings.
 Project Boundary features depicted on Exhibit G drawings are required to be positionally accurate to +/- 40 ft.



**UPPER PENINSULA
 POWER COMPANY**
 SUBSIDIARY OF WPS RESOURCE CORP
 GREEN BAY, WISCONSIN

BONEY PROJECT
 FERC No. 1864
BONEY SHORELINE MANAGEMENT PLAN

Map 8 - 1

249 Western Ave
 Augusta, ME 04320 Created: 11/12/2007 3:16:24 PM

INFORMATION DEPICTED HEREON IS FOR REFERENCE PURPOSES ONLY AND IS COMPILED FROM BEST AVAILABLE SOURCES. TRC ASSUMES NO RESPONSIBILITY FOR ERRORS ARISING FROM MISUSE OF THIS MAP.

9.0 ENVIRONMENTAL IMPACTS

9.1 WATER QUALITY

No in-water construction is anticipated with the installation of individual or cluster docks, thereby minimizing the possible adverse effect to water quality. Any construction activities associated with proposed recreational enhancements will be done using approved Best Management Practices (BMPs).

Free standing docks will be fixed on support structures equipped with wheels for ease of installation. There will be some short-term disruption of bottom sediments and some localized turbidity during free standing dock installation and removal activities.

There would likely be some minor, localized increases in water turbidity associated with installation and removal of both floating and free standing seasonal dock structures; however, these impacts would be short-term. Moderate long-term impacts to water quality could potentially result from the operation and maintenance of additional boats associated with the proposed docks.

No impacts to water quality are associated with the clearing of vegetation for pedestrian paths or enhanced view areas. Other than limited stump removal for the placement of stairs, no ground-disturbing activities are permitted, and only natural woodchips and/or bark may be used to improve the path. Pedestrian paths and enhanced view areas require a permit from UPPCO, and an on-site visit by UPPCO will be required during any clearing activities.

In order to minimize the potential for increases in soil erosion and sedimentation UPPCO has prohibited permittees from using motorized vehicles on project lands. Snowmobile use on project lands is permitted during the winter months when snow cover is present as this will not impact soil erosion or sediment. Any construction activities associated with proposed recreational enhancements will be done using approved BMPs.

9.2 TERRESTRIAL AND WILDLIFE RESOURCES

Given the relatively minor activities associated with the pedestrian path, enhanced view areas, or recreational enhancement construction, and the incremental increase in human disturbance at the site, the proposed facilities would have a minor, adverse effect on wildlife and waterfowl, including temporary disturbance and displacement of some area wildlife.

As a component of the SMP, UPPCO proposes to conduct additional public education efforts on nuisance species. With respect to public education on nuisance species, UPPCO proposes to conduct a formal public education program focusing on species for which the resource agencies have developed educational materials in order to reduce the spread of nuisance species that have potential to be introduced in the project property and impoundments or have the potential to be spread to other areas outside the project

through uses of the project. The public education efforts will include the placement of signs for nuisance species. The signs will be designed by the MDNR and provided at no cost to UPPCO by the MDNR. The signs will be placed at all formal public access points that may serve as an introduction point for the nuisance species. UPPCO will also make brochures available to the public that provide information on these species.

UPPCO also proposes to monitor additional nuisance species identified by the agencies, provided the agencies have effective, economical and reasonable control techniques to extirpate species from the reservoirs as demonstrated through the agencies' own control programs.

The restricted removal of vegetative cover associated with pedestrian paths and enhanced view areas is an activity that requires a permit from UPPCO. UPPCO will closely monitor permittee-activities to ensure adherence to vegetation removal guidelines.

Through implementation of the SMP, UPPCO proposes to prohibit timber harvesting on lands within 200 feet of the project impoundment. This will benefit terrestrial and wildlife resources by eliminating activities associated with timber harvesting.

9.3 AQUATIC RESOURCES

Approved dock zones at the Boney Falls impoundment were selected to avoid documented fish spawning and nursery habitat. These areas have been placed into Conservation – Limited Public Trail Areas, and therefore, no impacts to these sensitive resources would be expected. Free standing docks are fixed to support structures with wheels. There will be some short-term disruption of bottom sediments and habitat during installation and removal of the docks, and placement of individual boat docks and cluster docks may temporarily affect some shallow-water fish habitat. Overall, dock placement would have only minor adverse impacts on fish and wildlife and their habitat. Warm-water-fisheries nursery and spawning habitats could be affected; however, they should re-establish themselves after installation of individual and cluster docks is complete. Large woody debris, which is critical to aquatic habitats, would not be disturbed, and no dredging would occur.

One favorable result is that the boat docks in Conservation – Limited Public Path and Limited Enhanced View Areas would provide additional cover along the shoreline for fish by providing them with a cool, dark area in which to seek shelter, feed, and possibly spawn.

9.4 WETLANDS

Wetlands within the project boundary have been placed into the SMP conservation classifications. Permitted activities within the conservation classifications that have the potential to impact wetlands are limited to the creation of the public recreational trail being requested by the public, and the limited placement of seasonal access ramps to docks.

The 7-series maps identify acceptable dock zones on the impoundment. These zones represent the areas where seasonal docks and access ramps to the docks could be placed. UPPCO has determined the maximum number of private boat slips that may be placed on the impoundment but has not identified the specific individual and cluster dock locations. The exact configuration and location of docks will be determined by UPPCO at the time of actual placement, based upon on-site environmental, bathymetric, and topographic conditions. UPPCO has limited the size of dock sections and access ramps to no more than five (5) feet in width and therefore the overall acreage of wetlands that have the potential to be impacted is extremely small.

For any areas where a public recreational trail is proposed on the Boney Falls impoundment, UPPCO staff is responsible for siting the trail to avoid or minimize impacts to wetland resources. In limited instances where wetlands are encountered, and cannot be avoided, steps or wooden walkways may be incorporated. UPPCO will utilize Best Management Practices when constructing the public trail and will install necessary measures to prevent the erosion of soil into adjacent wetlands. Some portions of the public trail may not be constructed if trail construction and/or operation may result in significant impacts to wetlands. As identified in Section 8.2, the public recreation trail will require consultation with the agencies.

9.5 THREATENED AND/OR ENDANGERED SPECIES

On April 12, 2007, UPPCO consulted with the U.S. Fish and Wildlife Service (FWS) regarding section 7 Endangered Species Act (see Appendix B, "Section 7 ESA Consultation"). In the Service's response, they note that currently the Canada lynx is the only species that may require section 7 consultation. Wolves and bald eagles no longer receive protection from the Act and section 7 consultation is no longer necessary for these species. The FWS recommended that UPPCO identify potential Canada lynx habitat within the FERC project boundary of the Boney Falls impoundment but acknowledged that the area of project boundary around the respective impoundments provides narrow buffers that would not provide large enough habitat areas for lynx. It is possible that lynx could pass through the project area of the Boney Falls impoundment at some time. However, with continued implementation of provisions of the license and SMP, it is unlikely that an occasional dispersing lynx would be affected by SMP implementation.

In addition to discussing Canada lynx habitat, the FWS suggested highlighted activities which may disturb eagles. To the extent practicable, UPPCO has incorporated numerous recommendations from the May 2007 National Bald Eagle Management Guidelines to further UPPCO's efforts to protect bald eagles. No active bald eagle nests were documented at the Boney Falls impoundment in 2006, although all known threatened and endangered species have been mapped and included into the SMP classification Conservation – Limited Public Trail. As additional measures to avoid potential disturbance to bald eagles nesting, perching and/or feeding within project boundaries, UPPCO will make educational materials available to the public that will emphasize the importance and sensitivity of nesting and feeding areas and encourage cooperation in avoiding disturbance to the eagles. UPPCO has also designated the east shoreline of the

reservoir not already designated as General Use/Formal Recreation or Project Operation Areas as Conservation – Limited Public Trail for eagle feeding purposes. In the event new nests are established, informational buoys will be placed at the outer edges of primary nesting areas (area consisting of a 330 foot radius around an existing eagle nest) that extend into the impoundments, to discourage boaters from approaching active nests. Therefore, the development proposal is not expected to have an impact on federally-listed threatened or endangered species.

Conservation Areas represent 31.1 % of project lands at the Boney Falls impoundment. Through implementation of the SMP, UPPCO proposes to prohibit timber harvesting on lands within 200 feet of the project impoundment. This will benefit threatened and endangered species by eliminating activities associated with timber harvesting.

9.6 RECREATION AND LAND USE

As is discussed in Section 7, specific lands within the project boundary of the Boney Falls impoundment where existing facilities are sited, and where new enhancements would be located, have been classified as “General Use/Formal Recreation” areas. Recreation facilities were sited within this SMP classification to avoid sensitive environmental resources and to ensure that these uses are consistent with the objectives of the Wildlife Management Plan, and the Land Management Plan.

As discussed in Section 8, UPPCO proposes to fund significant recreational enhancements as part of the proposed SMP. The majority of these enhancements were developed through collaboration with members of the public, government officials, agencies, and the focus groups. The additional enhancements proposed will assure that adequate recreational access is provided at the Boney Falls impoundment for the near future.

TABLE 9-1: BONEY FALLS RECREATIONAL ENHANCEMENT IMPLEMENTATION SCHEDULE

Recreational Enhancement	Facility/ Enhancement ID	Implementation Schedule
Install a historical interpretive sign for public education and viewing.	1	1 -5 years after SMP approval
Develop a bathymetric map of the flowage for use by the general public.	2	1 -5 years after SMP approval
Develop a recreation brochure for Boney Falls and make it available to the general public.	3	1 -5 years after SMP approval
Install a public trail as part of a trail network around the impoundment.	4	1 -5 years after SMP approval

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UPPCO proposes a maximum of 24 private dock slips on the Boney Falls impoundment. When compared to the number of slips as calculated by a literature-based boat carrying capacity methodology (*Assessment of the Recreation, Wildlife, and Aesthetic Resources of the Boney Falls Impoundment, E/PRO 2006*), this number is deemed acceptable.

The installation of public and private docks will likely increase the amount of boat traffic on the Boney Falls impoundment. However, if private docks are not constructed, increased boat traffic is still expected as a result of public docks that will be made available at the boat launches. Private docks would help alleviate use and crowding that may occur at public launch and docking facilities.

The physical presence of the boat slips would have a minor, long-term impact on recreation by placing new structures in areas where there were no structures before, creating near shore navigational barriers. Additionally, increased boating use could create safety issues for recreational boaters. The safety issues are common to all lakes with recreational boating and dock structures, and are generally covered under state boating laws and safety guidelines.

9.7 AESTHETIC RESOURCES

At the Boney Falls impoundment, approved dock zones were selected to minimize visual impacts. To further minimize visual impacts at the Boney Falls impoundment, UPPCO requires that docks be low profile and utilize natural (muted) colors that do not stand out against the background landscape. Additionally, the installation of boat lifts and associated permanent dock lighting and electric service is prohibited. The physical presence of the proposed boat docks would have a minor, long-term visual impact on the shoreline. Increased boating use on the impoundments would create long-term, intermittent-noise impacts in the immediate vicinity.

9.8 HISTORIC PROPERTIES

No activities are proposed in areas with known historical resources. However, unknown historic resources may exist in the area of potential effects for the proposed facilities. Should historic resources be inadvertently discovered during ground-disturbing activities UPPCO will implement the provisions of the Programmatic Agreement.

All known cultural resources have been mapped and included in the SMP classification as "Conservation." As a result of the data collection effort for the proposed SMP, UPPCO has retained a qualified archaeologist to survey all previously unsurveyed upland areas within the project boundaries. Copies of the reports of these studies have been forwarded to Brian Conway at the Michigan State Historic Preservation Office as part of UPPCO's annual FERC submittal in 2005 and 2006 of all activities regarding historic resource compliance at the project.

Expansion of recreation facilities that are currently located within, or immediately adjacent to, potential cultural or historical sites (as identified by the qualified archaeologist) will not occur without prior additional consultation according to the provisions of the Programmatic Agreement.

UPPCO will include language in the permit and NLA to ensure that any such resources discovered during development activities will be properly taken into account. Specifically, if any historic or archeological remains are discovered during permit/NLA-permitted activities, all further activities will be halted, and the SHPO and those Indian Tribes that may attach a religious or cultural significance to the area in which the discovery was made, and/or to the discovered materials, will be contacted and consulted for direction before continuing with the activity in that area.

UPPCO will continue to manage the activities of the Project consistent with the provisions of the Programmatic Agreement.

9.9 SOCIOECONOMIC RESOURCES

Allowing people listed on property deeds immediately adjacent to UPPCO-owned land within the project boundary of the Boney Falls impoundment the ability to construct pedestrian paths and install seasonal docks on project lands will have a beneficial effect on the socioeconomic conditions within the project region. The presence of boat docks and the proposed recreational enhancements may increase the real estate value of the houses within the area. Residents coming to the area will contribute to the expansion of the local economy and tax base. Additional revenues may also be generated for businesses and associated services that cater to these homeowners.

10.0 PERMITS, ENFORCEMENT, AND OVERSIGHT

10.1 PERMIT APPLICATION

Prior to undertaking any improvements or modifications on UPPCO lands within the project boundary, a completed permit application must be submitted to UPPCO. An applicant is required to apply in writing for the permit. Information and a permit application will be furnished to the applicant concerning the necessary instructions and appropriate application fee.

Activities requiring a permit shall not begin until all plans and specifications have been approved in writing by UPPCO (see Section 7.3.1).

10.2 ENFORCEMENT AND OVERSIGHT

UPPCO is committed to providing the resources needed to conduct regular inspections and manage the Boney Falls impoundment in accordance with the terms of the SMP, its license, and the applicable FERC rules and regulations. UPPCO is responsible for ensuring that the uses and occupancies for which it grants permission are safe, are maintained in good repair, and comply with applicable safety and health requirements. This responsibility includes public recreation access and protecting important natural, environmental, and scenic resources.

Through the permit process, UPPCO will ensure that activities of permittees will not endanger health, create a nuisance, or otherwise be incompatible with the project's overall purposes, and that all reasonable precautions are taken by permittees to ensure that their use of project lands and waters will occur in a manner that will protect the scenic, recreational, and other environmental values of the project. To this end, UPPCO's permit will reserve the right of UPPCO to supervise and control the permittee's shoreline use activities. Specifically, UPPCO expressly reserves and retains the right to use, or to grant to others the right to use, the surface and subsurface of, and the air space above, UPPCO's property for all lawful purposes, including without limitation the right to pass over the property to remove improvements on the Owner's Property that are in violation of the permit. In exercising this right, UPPCO will ensure that the permittees fully comply with all the requirements of the permit. UPPCO believes this will enhance recreational opportunities for the public in a safe and environmentally compatible manner.

Any use of, or change in, the features or vegetation on project lands and waters without specific authorization from UPPCO is prohibited and considered a violation. If a licensed use violates any conditions imposed by FERC, any condition imposed by UPPCO under its permitting program, or any measures required for the protection and enhancement of the project's scenic, recreational, or environmental values, UPPCO may take any lawful action necessary to correct the violation. For an unauthorized use or occupancy that action may include, if necessary, canceling the permission/permit to use and occupy the

project lands and waters and requiring the removal of any non-complying structures and facilities or the restoration of any environmental damage at the expense of the individual or group. UPPCO reserves the right to recover, as part of its costs, reasonable attorneys' fees and expenses incurred in such action.

Any work or modifications done without UPPCO's prior written consent shall be considered unauthorized and shall constitute a default under this Easement.

11.0 SMP CONTINUED CONSULTATION

In order for the SMP to be viable in the coming years, UPPCO is aware there may be a need to periodically review this document and the permitting program. Periodic reviews will allow UPPCO to assess new issues that may arise as a result of changes in recreational use around the impoundments. This review process will provide the means for the permitting program to change, if necessary, and will include consultation with the resource agencies. Updates will incorporate any revisions that are deemed necessary to protect public recreation opportunities, aesthetics, environmental features, and power production capability at the project.

Using the land classification system and associated mapping, UPPCO will annually monitor permits. With the data already in place for the land classifications, UPPCO will use the GPS coordinates of any new permit applications to analyze the exact location on a particular impoundment and any permit stipulations that may be required as a result of the land classification.

At a minimum, consultation with the agencies will occur annually to discuss the progress of the implementation of the SMP.

12.0 AGENCY AND PUBLIC CONSULTATION

In 2005, UPPCO originally worked with local governments in designing a draft plan for non-project uses of project land. This outreach with the local governments was met with enthusiasm for the land sale and the potential development that would result.

After working with local township and county governments, UPPCO conducted an extensive public/agency outreach and education program (see Appendix A, Record of Agency and Public Collaboration). Through this process, UPPCO has consulted with a broad representation of interests, including some groups which are in opposition to the development and sale of non-project lands and any new uses of non-project and project land. This outreach resulted in agencies requesting the development of a Shoreline Management Plan for the project.

UPPCO continued its proactive approach to this outreach throughout the development of this Shoreline Management Plan, involving the public and agencies by:

- Establishing a Web site with a comprehensive library of information relating to the land sale and Shoreline Management process as well as posting questions and answers about the project.
- Forming stakeholder focus groups, consisting of representatives from economic development, government, hunting and fishing, and conservation groups in the Eastern and Western Upper Peninsula that met monthly (May-October and in early 2007).
- Holding a total of four public meetings to present information and gather feedback.
- Providing a draft SMP for the public and agencies to comment on.
- Issuing news releases and fact sheets which were distributed to media throughout the Upper Peninsula.
- Sending informational letters to citizens in some affected townships.
- Meeting with local media editorial boards.
- Meeting with state and federal legislators.
- Conducting interviews with reporters, both print and on-air.
- Responding to e-mail requests for information.
- Meeting with resource agencies.
- Making presentations before township and county boards and planning commissions in and around the project.
- Meeting with representatives of hunting, fishing, ATV, and snowmobiling organizations.

In addition, postpaid, pre-addressed comment cards were made available at all public meetings, and the public was encouraged to send cards, letters, or e-mails to UPPCO with their comments and suggestions. Lastly, the draft SMP was made available to the public for a 60-day comment period. UPPCO has used the comments and suggestions of the

public, and other stakeholders, to help shape this Shoreline Management Plan (see Appendix A, Record of Agency and Public Collaboration).

APPENDIX A: RECORD OF AGENCY AND PUBLIC CONSULTATION

**Upper Peninsula Power Company - Boney Falls (FERC No. 2506)
Land Sale Consultation Documents**

Date	Communication	Topics Addressed	Attachment
January 3, 2006	Press Release	Land sales final	Attachment 1
February 10, 2006	Agency Meeting Notes & Website Addition	Review status of land sales, and discuss and clarify consultation recommendations	Attachment 2
March 10, 2006	Press Release	UPPCO responds to FERC request for more information regarding UP land sale	Attachment 3
March 10, 2006	Agency Meeting Agenda	Review status of land sales, and discuss and clarify consultation recommendations	Attachment 4
Late March	Website Addition	Notes from March 10 Agency Meeting	Attachment 5
April 18, 2006	E-mail Correspondence	Uppco transmittal of draft study scopes and request for comment (email and four scopes)	Attachment 6
April 20, 2006	Press Release	May Public Meetings	Attachment 7
Late April	Direct Mail	Focus Group Invite	Attachment 8
May 1, 2006	Agency Comments	Michigan DNR comments on UPPCO non-project use of project lands	Attachment 9
May 9, 2006	Public Meeting	Primary topic: Reorganization of campsites, formation of focus group, scope of environmental studies, and proposed timeline for submitting plan to FERC	Attachment 10
May 15, 2006	E-mail Correspondence	Clarification of Environmental Study Scopes	Attachment 11
May 16, 2006	Agency Comments	Michigan DNR comments on Project Lands Study scopes	Attachment 12
May 18, 2006	Agency Comments	USDA comments Re: clarification document	Attachment 13
May 19, 2006	E-mail Correspondence	Re: due date for comments on study protocols	Attachment 14
May 19, 2006	Agency Comments	NPS comments on Project Lands Study scopes	Attachment 15
May 19, 2006	Agency Comments	USDA comments on Project Lands Study scopes	Attachment 16
May 19, 2006	Agency Comments	USFWS comments on Project Lands Study scopes	Attachment 17

Date	Communication	Topics Addressed	Attachment
May 19, 2006	Agency Comments	Michigan Hydro Relicensing Coalition comments on Project Lands Study scopes	Attachment 18
May 23, 2006	E-mail Correspondence	Michigan DNR comments on draft study. Re: Environmental Assessment study methods	Attachment 19
May 23, 2006	Agency Comments	Michigan DNR Comments on Wildlife and Aquatic study methods	Attachment 20
May 23, 2006	Focus Group Meeting Agenda	Purpose of Focus Group and overview of WPSR land management plan	Attachment 21
May 26, 2006	Response to Agency Comments	Response to Agency Comments	Attachment 22
Early June	Website Addition	Notes from May 23 Focus Group Meeting	Attachment 23
June 13, 2006	Letter to Focus Group	Plans and policies for Focus Group Meetings	Attachment 24
June 19, 2006	Focus Group Meeting Agenda	Presentation on environmental plan and general discussion	Attachment 25
Early July	Website Addition	Notes from June 19 Focus Group Meeting	Attachment 26
July 20, 2006	Focus Group Meeting Agenda	Primary topic: goals and objectives of the SMP	Attachment 27
July 25, 2006	E-mail Correspondence	Michigan DNR comments on revised SMP goals and objectives	Attachment 28
Late July	Website Addition	Notes from July 20 Focus Group Meeting	Attachment 29
July 28, 2006	Press Release	August Public Meetings: to present results of draft environmental studies	Attachment 30
July 28, 2006	Direct Mail	Cover letter for mailing of Resource Reports to Eastern and Western focus groups et al.	Attachment 31
July 28, 2006	Direct Mail	Uppco transmittal of draft resource reports to agencies and request for comment	Attachment 32
August 8, 2006	Public Meeting	Results of draft environmental studies	Attachment 33
Late August	Website Addition	Baldwin & Ewing Townships Scenario	Attachment 34
Late August	Website Addition	Cornell Township Scenario	Attachment 35
Late August	Website Addition	Wells Township Scenario	Attachment 36

Date	Communication	Topics Addressed	Attachment
August 27, 2006	Public Comments	Comments from Linda S. Rein on Draft Resource Reports	Attachment 37
August 27, 2006	Public Comments	Comments from Nancy Warren on Draft Resource Reports	Attachment 38
August 28, 2006	Agency Comments	Combined Agency Comments on Draft Resource Reports: Michigan Hydro Relicensing Coalition, Keweenaw Bay Indian Community, National Park Services, Forest Services, US Dept. of Agriculture, US Fish & Wildlife Services	Attachment 39
August 28, 2006	Public Comments	Comments from Joseph Kaplan, Common Coast Research & Conservation, on Draft Resource Reports	Attachment 40
August 28, 2006	Public Comments	Comments from D. Borcharding on Draft Resource Reports	Attachment 41
August 28, 2006	Public Comments	Comments from Scott Hickman on Draft Resource Reports	Attachment 42
August 28, 2006	Public Comments	Comments from Douglas R. Cornett on Draft Resource Reports	Attachment 43
August 28, 2006	Public Comments	Comments from Steve Garske on Draft Resource Reports	Attachment 44
August 29, 2006	Public Comments	August 7 th Trout Creek Public Meeting	Attachment 45
August 31, 2006	Focus Group Meeting Agenda	Primary topic: review draft environmental studies	Attachment 46
September 5, 2006	Public Comments	Comments from Doug Scheuneman on Draft Resource Reports	Attachment 47
Early September	Website Addition	Notes from August 31 Focus Group Meeting	Attachment 48
September 28, 2006	Focus Group Meeting Agenda	Primary topic: economic impact of development	Attachment 49
October 2, 2006	E-mail Correspondence	Michigan DNR comments on revised SMP goals and objectives	Attachment 50
Mid October	Website Addition	Notes from September 28 Focus Group Meeting	Attachment 51
October 19, 2006	Focus Group Meeting Agenda	General discussion of what amenities might improve public access	Attachment 52
October 25, 2006	Press Release	Shoreline Management Plans	Attachment 53
Late November	Website Addition	Notes from October 19 Focus Group Meeting	Attachment 54

Date	Communication	Topics Addressed	Attachment
November 30, 2006	Press Release	Shoreline Management Plans delayed, possibly until March 2007	Attachment 55
As of 21 Dec 2006	Direct Mail	Comments received	Attachment 56
January 2006 - December 2006	E-mail Correspondences	Various e-mail correspondences	Attachment 57
Mid-March 2007	Response to Agency Comments	Response to Agency Comments on Draft Resource Reports and Transmittal of Final Resource Reports	Attachment 58
Mid-April 2007	Public Comments	Comments received at Public Meeting	Attachment 59
April 13, 2007 - May 21, 2007	E-mail Correspondences	Various e-mail correspondences	Attachment 60
April 13, 2007	Public Comments	Comments from Amy Clickner, CEO - Lake Superior Community Partnership Inc.	Attachment 61
May 7, 2007	Public Comments	Comments from Ronald Backus	Attachment 62
May 8, 2007	Public Comments	Comments from Tom Wolfe	Attachment 63
May 9, 2007	Public Comments	Comments from Robert R. Hagen, Jr.	Attachment 64
May 12, 2007	Public Comments	Comments from Jonathan Mead, Secretary - Upper Peninsula Association of County Commissioners	Attachment 65
May 14, 2007	Public Comments	Comments from Henry De Groot, Supervisor - Wells Township Board	Attachment 66
May 15, 2007	Public Comments	Comments from Gerald O. Corkin, Chairperson - Marquette County Board of Commissioners	Attachment 67
May 16, 2007	Public Comments	Comments from Steve Hovel	Attachment 68
May 17, 2007	Public Comments	Comments from Jim Lyons	Attachment 69
May 17, 2007	Public Comments	Comments from William Malmsten, Vice President - Upper Peninsula Environmental Coalition	Attachment 70
May 18, 2007	Public Comments	Comments from David L. Sladky	Attachment 71
May 18, 2007	Public Comments	Comments from John Coupe	Attachment 72
May 18, 2007	Public Comments	Comments from Dan Haskell	Attachment 73

Date	Communication	Topics Addressed	Attachment
May 19, 2007	Public Comments	Comments from Nancy Warren, Spokesperson - Upper Peninsula Public Access Coalition	Attachment 74
May 19, 2007	Public Comments	Comments from Karen Tischler	Attachment 75
May 20, 2007	Public Comments	Comments from Joseph Kaplan, Director - Common Coast Research & Conservation	Attachment 76
May 20, 2007	Public Comments	Comments from Nicole Pollack	Attachment 77
May 21, 2007	Public Comments	Comments received from Barbara Morrison, County Clerk - Menominee County Board of Commissioners	Attachment 78
May 21, 2007	Agency Comments	Combined Agency Comments on Draft SMPs: (Michigan Hydro Relicensing Coalition, Michigan Department of Natural Resources, U.S. Forest Service Hiawatha and Ottawa National Forests, National Park Service, U.S. Fish & Wildlife Service, Keweenaw Bay Indian Community)	Attachment 79
May 21, 2007	Public Comments	Comments from Kay L. Hoff	Attachment 80
May 21, 2007	Public Comments	Comments from Douglas R. Cornett	Attachment 81
May 21, 2007	Email Correspondence	Email correspondence from Steve Garske	Attachment 82
May 23, 2007	Public Comments	Comments from June Schmaal	Attachment 83
May 25, 2007	Email Correspondence	Email correspondence from Henry W. Peters	Attachment 84
May 25, 2007	Public Comments	Comments from Barbara Quenzi	Attachment 85
May 25, 2007	Public Comments	Comments from Mike Stockwell	Attachment 86
May 25, 2007	Public Comments	Comments from Suzanne Van Dam	Attachment 87
September 21, 2007	Agency Response	United States Department of the Interior/Fish & Wildlife Service - Endangered Species Act Section 7 Response	Attachment 88
November 2007	Response to Comments	Response to comments on draft SMP	Attachment 89

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 1
3 January 2006
PRESS RELEASE – LAND SALES FINAL

UPPCO CLOSES ON LAND SALES
Land sales allowed UPPCO to defer rate case in 2005

Houghton, MI – Officials of Upper Peninsula Power Company, a subsidiary of WPS Resources Corporation (NYSE: WPS), today announced that the company had closed real estate transactions late Thursday, December 29, 2005, with Naterra Land for property along Bond Falls Reservoir (Ontonagon County), Boney Falls Basin (Marquette and Delta Counties), and Cataract Basin (Marquette County).

In 2002, UPPCO initially announced an overall asset management strategy for lands it holds in the Upper Peninsula of Michigan. In this sale, lands not needed for hydroelectric operations that lay outside project boundaries were sold to Naterra for an undisclosed amount.

As part of an agreement reached with the Michigan Public Service Commission in 2005, UPPCO withdrew a 7.6% electric rate increase when granted requested regulatory treatment of the gains expected to result from the sales.

“We contacted the Michigan Department of Natural Resources, the USDA Forest Service and others on more than one occasion about buying the land,” said Roger Trudeau, acting on UPPCO’s behalf, “but no serious interest was expressed or offers made. Naterra Land is a world-class organization that will ensure any development of the properties is first rate and that the overall aesthetics of the area will not change significantly. We chose to work with Naterra because of their long track record of care and concern for the environment and their commitment to preserving the natural beauty of the land they develop.”

Phil Taylor, CEO of Naterra Land, commented, “We are honored to be chosen to purchase this land. Like WPS Resources and UPPCO, we see ourselves as stewards of the land. We look forward to this opportunity to help families connect with the beauty and nature of the Upper Peninsula of Michigan.”

Excluded from the sale at Bond Falls, Boney Falls, and Cataract Basin is a buffer strip of land along the reservoirs that ranges from a few feet to more than 1,000 feet from the water. UPPCO will continue to own and manage that land and all land still included within hydroelectric project boundaries according to agreements with the Federal Energy Regulatory Commission.

“We’ve worked with local and county officials on the disposition of these lands,” said Trudeau, “and the overwhelming response has been positive. Leaders are excited about the prospects for economic development in their regions.”

Trudeau said UPPCO and Naterra would continue to consult with various agencies, including the Michigan Department of Natural Resources, USDA Forest Service, U.S. Fish and Wildlife Service, and the Michigan Department of Environmental Quality to ensure an eco-friendly development of the property.

UPPCO will continue to evaluate its options regarding the disposition of other non-project land that it has retained along the reservoirs.

About Upper Peninsula Power Company

Upper Peninsula Power Company is an operating subsidiary of WPS Resources Corporation (NYSE: WPS), a holding company based in Green Bay Wisconsin. UPPCO serves approximately 52,000 electric customers in 10 of the 15 counties in Michigan's Upper Peninsula. The company owns one gas-fired and nine hydroelectric generating facilities, along with two combustion turbines. It has approximately 160 full-time employees and operates service centers in Escanaba, Houghton, Iron River, Ishpeming, Munising, and Ontonagon.

About Naterra Land

For more than 25 years, Naterra Land has specialized in helping people find and buy beautiful land where they can create lasting connections to nature and build a lifetime of memories with family and friends. Taking extraordinary care to preserve the environment and natural beauty of the land it buys, Naterra makes low-impact improvements, such as adding roads and power, and creates generous-sized homesites. Naterra works to understand the needs of its customers and gain an intimate knowledge of the property it sells.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 2
10 February 2006
AGENCY MEETING NOTES & WEBSITE ADDITION

**UPPCO Land Sales Resource Agency Consultation Meeting Summary
(February 10, 2006)**

Agency representatives from:

MDNR
 USDA-FS
 MDEQ-LWMD
 Michigan Attorney General's Office (by telephone)

Other Representatives from:

UPPCO
 Naterra Land Inc
 Michigan Hydro Relicensing Coalition

Purpose:

The purpose of the meeting was review the status of the UPPCO land sales and to discuss and clarify the *UPPCO Consultant Recommendations – provided by DNR, FWS, USFS, KBIC, and MHRC, February 1, 2006* ('Recommendations Provided').

Discussion:

The general process for developing, implementing, and reviewing studies was presented as follows:

- UPPCO consultant will review agency study requests
- Develop draft work plan
- Provide work plan for agency comment
- Implement Work Plan
- Provide Report to Agencies for Comment
- Finalize Report
- Develop proposal based upon results of environmental studies
- Public information meetings will be held at appropriate times and locations during the process
- Submit proposal summary to FERC for their review process

UUPCO revisited the items that were discussed in previous meetings as potential modifications to their original proposal. These items are for the Bond Falls, Cataract, and Boney Falls Projects only and include:

- Bond Falls Only-Cutting of Dead and Discased Trees (for safety concerns only)
- Bond Falls Only-Old Growth cutting (paths only-four feet wide/ no view corridors)
- No use of herbicides
- No wetlands will be filled
- Study project boundary recreational access.
- UPPCO will provide a recreation access map
- Identify informal user-developed access to project lands
- Plan for future boat landing expansions
- Plan around high quality wildlife habitat (Bald Eagles, Loons and Wolves)
- Use native seed for construction activities

In addition to the issues listed above, the following items were discussed in varying degrees of detail:

- Possibility of addressing all the projects in a comprehensive manner
- Electric power and dock lighting
- Boat lifts
- Configuration, placement, and number of docks
- Hunting impacts
- Bond Falls only-wild rice
- Prickett only-mechanized access to water (lifts)
- Trails around the reservoir (number-if any and length)
- Removal of woody debris
- Public fairness of docks
- Access through USDA-FS property
- Nuisance plant species
- Cumulative impacts of human use of shorelines
- Road construction
- Company inspections of Project lands and enforcement of violations

Each of the studies presented in the Recommendations Presented for the Bond Falls, Boney Falls, and Cataract Projects were discussed. These studies included:

- Nesting Structures
- Bald Eagles
- Ospreys
- Common Loons
- Waterfowl
- Sandhill Cranes
- Great Blue Herons
- Gray Wolves
- Wood Turtles
- Terrestrial Habitat-Old Growth, Mesic Conifers, and Red Oak
- Bond Falls Only-Wild Rice
- Threatened, Endangered, and Special Concern Species
- Nuisance Plants
- Archaeological/Geological, Cultural Features
- Aquatic Habitat

Please Note: There are other studies that UPPCO may need to conduct that were not discussed because they are outside of the resource agency responsibilities.

Action Items:

Similar to the Recommendations Provided for Bond Falls, Boney and Cataract, the agencies will provide a list of environmental studies for the Prickett, Victoria, and Au Train Projects by March 6, 2006

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 3
10 March 2006
Press Release – UPPCO responds to FERC

UPPCO Responds to FERC Request for More Information Regarding Upper Peninsula Land Sale

UPPCO will not grant any licenses or permits for use of project lands without FERC authorization

Houghton, MI – Representatives of Upper Peninsula Power Company (UPPCO), a subsidiary of WPS Resources Corporation (NYSE:WPS), have responded by letter to the Federal Energy Regulatory Commission (FERC) in response to that agency's request for updated information regarding the proposed sale of 7,300 acres adjacent to UPPCO hydroelectric projects, including Bond Falls. FERC is the regulatory authority for the lands within the project boundaries and had expressed concern with UPPCO's plans to convey certain rights, easements, or permits that would grant non-exclusive rights on certain uses of project lands to those purchasing UPPCO lands.

In the letter, UPPCO confirms that it will not grant any licenses or permits for the use of project lands without first requesting FERC authorization.

The complete four-page response with **multiple** attachments is available at the FERC Web site as well as the UPPCO land sale Web site: www.uppco.com.

UPPCO affirms that it has created a draft Non-Exclusive License Agreement (NELA) as a template for future authorizations and to provide examples of the types of non-project uses of project land that UPPCO may be able to grant. UPPCO emphasizes that the agreement is in draft form, has not been executed, and is subject to change depending on a number of factors including its ongoing consultation with U.S. Forest Service, Michigan DNR, U.S. Fish and Wildlife Service and others, the results of environmental impact studies that UPPCO will conduct this year, and FERC's final authorization.

FERC also requested information regarding UPPCO's policies, standards, guidelines and procedures that the company will use for issuing permits under the FERC project Standard Land Use articles of each project. UPPCO confirmed that these documents have not yet been created since no decisions have been reached regarding the specific types of uses of project lands that UPPCO may propose to convey to nearby property owners. UPPCO has stated that possible uses include docks, lighting, view corridors, pathways, and so on.

"This FERC request is a normal part of the process," said Keith Moyle, UPPCO general manager. "Ideally, we would have been further along in the process and able to provide complete answers to FERC on these issues, but since there has been opposition by a vocal minority, I think FERC is seeking the information more quickly than it normally would. It will probably be a couple of months before we're at the point where all the information FERC requests will be available."

Moyle said the FERC and UPPCO Web sites both contain complete information about the FERC requests.

Upper Peninsula Power Company -- Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 4
10 March 2006
AGENCY MEETING AGENDA

AGENDA
UPPCO Land Sales Meeting
March 10, 2006
9:00 a.m. CST to 2:00 p.m. CST
Crystal Falls MDNR Office
Call-In Number

Introductions

Review of Last Meeting

Meeting Summary

Environmental Studies

Aquatic Habitat

- Fish, Waterfowl, Water Quality, Lake Sturgeon

Wildlife and Wildlife Habitat Protection

- Nesting Structures
- Bald Eagles
- Ospreys
- Common Loons
- Waterfowl
- Sandhill Cranes
- Great Blue Herons
- Gray Wolves
- Wood Turtles
- Habitat Surveys-Old Growth, Mesic Conifers, and Red Oak
- Habitat Surveys-Wetlands
- Shoreline Erosion
- Wild Rice
- Threatened, Endangered, and Special Concern Species
- Nuisance Plants
- Archaeological/Geological, Cultural Features
- Aesthetic Features
- Recreational Resources

Other Studies Expected Prior to Meeting

Future Direction

Consultation Process/FERC Process
Timeline and Schedule

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 5
Late March 2006
WEBSITE ADDITION -- AGENCY MEETING NOTES

**UPPCO Land Sales Resource Agency Consultation Meeting Summary
March 10, 2006**

Agency representatives from:

- MDNR
- USDA-FS (Hiawatha and Ottawa)
- MDEQ-LWMD
- Michigan Attorney General’s Office (by telephone)
- NPS (by telephone)

Other Representatives from:

- UPPCO
- Naterra Land, Inc
- Michigan Hydro Relicensing Coalition

Purpose:

To review the status of the UPPCO land sales and to discuss and clarify the *UPPCO Consultant Recommendations – provided by DNR, FWS, USFS, KBIC, and MHRC, March 2, 2006* ('Recommendations Provided').

Discussion:

Each study request that was presented in both the *Recommendations Presented for the Bond Falls, Boney Falls, and Cataract Projects* and the *Recommendations for the Au Train, Prickett, and Victoria Project* was not discussed a second time because they are similar to the previous requests. Studies that were provided new to the March 2, 2006, list were discussed.

These studies included:

- Water Quality
- Sturgeon
- Recreational Resources
- Aesthetics

The representative of the Hiawatha National Forest provided additional comments pertaining to the Au Train Project. These studies included:

- Goshawk and Red- Shouldered Hawk
- Trumpeter Swans
- Garlic Mustard
- Woody Debris
- Erosion

UPPCO explained the schedule for the process of moving forward and indicated the agencies would be provided the opportunity to formally comment during the process. UPPCO discussed the criteria of evaluation it would be using to determine the scope of studies to be conducted. The criteria are being adopted from the FERC Integrated Licensing Process.

The FWS outlined the process of consultation under Section 7. The USDA-FS outlined the NEPA process required for obtaining road access through National Forest property.

Action Items:

- Wild Rice will be added to the study list for Prickett.
- To assist UPPCO in developing a more-complete study plan, the agencies proposed to provide areas they believe to be sensitive and the reasoning behind the recommendations. These areas will be provided by March 17, 2006.
- USDA-FS will provide guidelines on management of goshawk and red-shouldered hawks.
- The additional study recommendations of the Hiawatha National Forest will be added to a new list.
- The USDA-FS will provide information on the recreational impact to sensitive species as outlined in their recent forest plan revision.
- The FWS will provide information to UPPCO on Gray Wolves.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 6
18 April 2006

TRANSMITTAL OF DRAFT STUDY SCOPES AND REQUEST FOR COMMENT

From: Shawn Puzen [mailto:SPUZEN@wpsr.com]
Sent: Tuesday, April 18, 2006 5:04 PM
To: raevans@fs.fed.us; Kirk G Piehler; Mark Fedora; Mike J Lanasa;
christie_deloria@fws.gov; gmensch@kbic-nsn.gov; GUSTAFSC@michigan.gov;
mistakjl@michigan.gov; stevensonp@michigan.gov; Angie Tornes;
jdschramm@oceana.net; Chris Freiburger; troutkpr@up.net
Cc: Dominie, David; Gosselin, Kristen; Campbell, William B.; Gregory
Egtvedt; Kathryn Hartman; Kerry Spees; Richard Heidel; Roger Trudeau
Subject: UPPCO Non-Project Land Sales Study Scopes

Hello All-

As promised, attached are the study scopes and cover letter for the environmental studies associated with the UPPCO Land Sales and the potential use of project lands for non-project purposes. This letter is being sent to Christie Deloria, Chris Freiburger, Mark Fedora, Bob Evans, Cary Gustafson, Jessica Mistak, Angie Tornes, Gene Mensch, Kirk Piehler, Mike Lanasa, Pamela Stevenson, Bill Dcephouse, and Jim Schramm.

Please provide your comments no later than May 19, 2006. If comments are not received by the end of day May 19, 2006, UPPCO will assume you do not have any comments.

You will be receiving a hard copy of the letter and study scopes in the mail.

Thanks,

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920)433-1094
spuzen@wpsr.com

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SCOPE OF SERVICES

**Identifying High Value Aesthetic Resources
For the Bond Falls, Cataract, Boney Falls, Au Train, Prickett, and Victoria
Impoundments**

Background

In response to recent development proposals, several agencies (MDNR, FWS, USFS, and KBIC: hereafter, the "Agencies"), working collectively, have provided recommendations regarding environmental resources on several UPPCO projects. Among recommendations submitted on February 1, 2006, the Agencies requested that UPPCO map and identify "aesthetic resources (areas to be considered to have high value)," and describe "why these areas have high aesthetic value and who values the aesthetic resources."

Investigation Area

The investigation area includes lands and waters within the FERC project boundaries of the Bond Falls, Cataract, Boney Falls, Victoria, Prickett, and Au Train impoundments.

Objectives

The objective of this study is to identify, using an objective method of visual resource assessment, and map (in ArcGIS 9.1 format) areas of high aesthetic value in the investigation area and describe why these areas have high aesthetic value, and who values them and why.

Tasks

All tasks regarding this study will be performed by Holly Dominie of H. Dominic Consulting, Readfield, Maine, (Dominic) and Nate Sylvester of E/PRO (GIS Specialist) who will provide GIS services.

Task 1 – Familiarization with the Visual Character of the Upper Peninsula

An understanding of the visual attributes of the project area and who uses and values it, and the development of an appropriate visual resource assessment method will be attained by:

- Reviewing current management plans, university research reports, previous UPPCO studies, published literature, reliable local (e.g. fish and game wardens,



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SCOPE OF SERVICES

user associations) knowledge, unpublished data, and other sources of readily available information.

- Conducting field visits by air and by boat to characterize, identify, and document the types, variety, and locations of visual features in the visual landscape of the investigation area; record viewpoint locations with a GPS unit; and observe and record with written notes anecdotal information about resource use and values.
- Identifying the range of landscape and cultural lake characteristics in the Upper Peninsula and adjust the current methodologies to fit the region and investigation area.

Task 2- Apply the Visual Assessment Method

The visual resource assessment method will be attained by:

- Creating a computer-generated map showing:
 - Prominent or “layered” landscape features such as hills, mountains, islands, coves, or historic/cultural resources which are visible from the water;
 - Highly configured shorelines (i.e., those with greatest shoreline per unit of lake area);
 - Shorelines which are in close proximity to one another or those which users view for a long duration;
 - Recreation facilities (informal trails, campsites, boat launches, boating activity, etc) and public roads of the project area; and the areas visible from them;
 - Special features such as wildlife viewing areas (e.g., moose and eagle viewing), cultural resources (e.g., historic structures), and geological resources (e.g., sand beaches and cliffs) and the areas visible from them; and
 - Undeveloped shorelines.
- Characterizing the visual landscape setting and user patterns and expectations about the aesthetic resources at the impoundments and by whom and why they are valued;
- Performing an assessment of aesthetic values at each impoundment to identify areas of high value based upon a qualitative scale (i.e., high, medium, and low); and
- Developing a GIS map showing high value areas.



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Task 3 – Verification of Analysis

Site visits at each impoundment will be conducted by boat to:

- Verify office-analysis results;
- Take digital images of all high value and representative views of other areas and record viewpoints with a GPS unit; and
- Informally observe and record written notes on who uses, what activities they engage in, and what and why they value the aesthetic resources of the impoundments.

Task 4 – Report

E/PRO will produce a letter report describing the results of this effort.



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SCOPE OF SERVICES

Recreational Resources Investigation For the Bond Falls, Cataract, Boney Falls, Au Train, Prickett, and Victoria Impoundments

Background

In response to recent development proposals, several agencies (MDNR, FWS, USFS, and KBIC: hereafter, the "Agencies"), working collectively, have provided recommendations regarding environmental resources on several UPPCO projects. Among recommendations submitted on February 1, 2006, the Agencies requested that UPPCO review and report on recreation with regard to existing recreational facilities.

Investigation Area

The investigation area for this scope of services includes lands and waters within the FERC project boundaries of the Bond Falls, Cataract, Boney Falls, Victoria, Prickett, and Au Train impoundments.

Objectives

The objective of this investigation is to review and map existing recreation facilities at the above listed Projects. Areas not conducive to boat dock/marina development (steep slopes, existing areas of erosion, shallow water areas) will also be mapped. In addition, a desktop analysis to determine recreational boating carrying capacity at each of the impoundments will be conducted, and stump removal at the Prickett impoundment will be evaluated.

Tasks

All tasks regarding this study will be performed by E/PRO.

Task 1 – Literature Review

E/PRO will perform a literature search of, and review as available, the following information from past FERC relicensing and compliance actions:

- Existing recreational facility reports and maps from FERC relicensing proceedings; and
- Aerial photographs with known formal and informal recreation facilities and formal and informal trails to the projects' shorelines (to be provided by UPPCO staff).



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Task 2 – Map Existing Formal and Informal Recreation Facilities

E/PRO will conduct a site visit at each impoundment within the investigation area. Investigations will be conducted by two boat crews. Bond Falls will be the first project to be studied and field work will be completed by both crews. This method along with the use of a standardized data survey sheet will help ensure a uniform approach to data collection. After work at Bond Falls is complete, the boat crews will separate. One crew will work the remaining westerly Projects (Cataract and Boney Falls) and the other crew will work the easterly Projects (Au Train, Prickett, and Victoria).

Field crews will determine the location, condition, estimated dimensions of the following recreational facilities/sites located on the shoreline of the projects:

- formal and informal recreation facilities;
- bank fishing areas;
- formal and informal boat launches; and
- formal and informal trails leading to the shoreline.

GPS coordinates will be taken for all facilities/sites. Data sheets will be completed for each facility to capture pertinent site information. Trails will be followed and documented by GPS coordinates from the lake shore to the extent of the project boundary, to a regularly used primary or secondary road, or vehicular trailway within a reasonable walking distance of the shore.

Task 3 – Map Recreational Development Constraints

E/PRO will locate and document shoreline site conditions not conducive to the development of dock structures or marinas. Conditions to be considered include:

- steep slopes would require some form of engineered device ;
- existing areas of erosion;
- shallow water areas that limit ingress and egress to the shore; and
- wetlands and other sensitive areas (see scope of services for habitat mapping effort).



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SCOPE OF SERVICES

Task 4 – Evaluate Stump Removal at Prickett Impoundment

E/PRO will conduct a field review to evaluate stump removal at the Prickett impoundment for navigational enhancement. During the site visit at Prickett, E/PRO will evaluate the ecological issues involved with stump removal (habitat, water quality, disturbance siltation, downstream sedimentation, project timing (example; avoid downstream spawning and incubation periods).

Task 5 – Recreational Boating Carrying Capacity

Develop a desk top analysis to determine boating carrying capacity levels utilizing accepted existing information and methodologies. The boating carrying capacity study would use the following criteria:

- Useable lake area based on no-wake zones for boating safety;
- Type of watercraft commonly used on each of the impoundments; and
- User perceptions of acceptable boating density in similar settings.

Task 6 – Report

E/PRO will produce a letter report associated with this work that will include:

- The results of the recreation facility site investigation. The letter report will include GIS maps with identified formal and informal recreation sites, and mapped constraints to recreational development (i.e., dock structures and marinas) – within the FERC project boundaries for the impoundments;
- An ecological evaluation of the potential impacts associated with stump removal;
- Identification of a range of recreational boating carrying capacities for each of the impoundments.



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SCOPE OF SERVICES

**Mapping Potential Common Loon Nesting Habitat
For the
Bond Falls, Victoria, Prickett, and Au Train Impoundments**

Background

In response to recent development proposals, several agencies (MDNR, FWS, USFS, KBIC and MHRC: hereafter, the "Agencies"), working collectively, have provided recommendations regarding environmental resources on several UPPCO projects. Among recommendations submitted on February 1, 2006, the Agencies requested that UPPCO evaluate and map potential loon nesting habitat on Bond Falls. Further recommendations, submitted on March 1, 2006, extended this request to cover Victoria, Prickett and Au Train impoundments. In the Agencies' recommendations, potential nesting habitat is defined as "islands with minimal or light evidence of human activity, quiet bays or coves, and shoreline areas with minimal road access".

It should be noted that article 414 of the Order Approving Settlement and Issuing New License (August 20, 2003) for the Bond Falls Project (FERC No. 1864) provides for measures to protect and enhance common loon populations on Bond Falls and Victoria. On February 4, 2005, FERC issued an order modifying and approving the Bond Falls Hydroelectric Project Wildlife and Land Management Plan, pursuant to Article 414 of the Project license. This approval states that three loon rafts are required: one on Victoria impoundment and two on Bond Falls impoundment. The Wildlife and Land Management Plan, states that the licensee will request assistance from the MDNR, USFS and FWS for siting the loon nest structures.

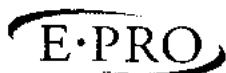
The current agency request is in keeping with the requirements of license article 414, and associated work can be designed to satisfy both objectives.

Investigation Area

The investigation area for this scope of services includes lands and waters within the FERC project boundaries of the Bond Falls, Victoria, Prickett, and Au Train impoundments.

Objectives

The objective of this investigation is to evaluate and map potential loon nesting habitat at Bond Falls, Victoria, Prickett, and Au Train impoundments.



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SCOPE OF SERVICES

Tasks

All tasks regarding this investigation will be performed by E/PRO Environmental Specialist Shearon Murphy, who is an experienced loon biologist.

Task 1 – Literature Review

E/PRO will perform a literature search, and review as available, the following information:

- water quality (Secchi disk and total suspended solids) data for each impoundment as available in relicensing studies;
- existing information regarding the suitability of the impoundments for loon nesting;
- relicensing studies for any information regarding general fish abundance in littoral zones of the impoundments (some info exists for Bond Falls, Victoria and Au Train); and
- 2000-2005 summertime head pond elevation readings to review the fluctuation regime.

Task 2 – Map Potential Loon Habitat

E/PRO will conduct a site visit at each impoundment within the investigation area to map potential loon habitat. Work effort will consist of the following subtasks:

- conduct an aerial reconnaissance of the impoundment within the investigation area to determine the presence/absence of loons during the month of May;
- spend 1 to 2 days on each impoundment to perform inspection of all shorelines (including islands, and quiet bays and coves with light human traffic and minimal road access) by boat;
- determine presence or absence of territorial (versus non-territorial) loons, and conduct walking searches of shorelines (for nests) in areas where territorial loons are encountered;
- take detailed notes on observations of habitat parameters (e.g., presence of islands and convoluted shorelines, water clarity, water depth, etc.);
- if existing data are not available, collect Secchi disk transparency data; and
- locate all potential suitable nesting habitat with GPS.

Task 3 – Evaluate Potential Loon Habitat

Incorporate field inspection data regarding potential loon habitat within the FERC project boundaries on GIS maps.



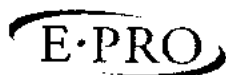
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Task 4 – Report

E/PRO will produce the a letter report presenting results of loon habitat mapping and evaluation. The letter report will include GIS maps with identified nests and potential loon habitat.



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SCOPE OF SERVICES

**Wildlife and Aquatic Habitat Data Verification and Mapping
For the Bond Falls, Cataract, Boney Falls, Au Train, Prickett, and Victoria
Impoundments**

Background

In response to recent development proposals, several agencies (MDNR, FWS, USFS, and KBIC: hereafter, the "Agencies"), working collectively, have provided recommendations regarding environmental resources on several UPPCO projects. In their recommendations, the Agencies identified a number of significant or important habitat types and components (for various life stage usage and support), and various species of interest that should be identified and protected. Based on these recommendations, UPPCO proposes to collect all readily obtainable existing information on the above-referenced resources associated with the Bond Falls, Prickett, Victoria, Cataract, Boney Falls, and Au Train impoundments. UPPCO then proposes to verify these data and collect new data as it is encountered during on-site investigations. The specific wildlife and aquatic habitats and species of interest that will be considered as part of this investigation are presented in Objectives below.

Investigation Area

The investigation area for this scope includes lands and waters within the FERC project boundaries of the Bond Falls, Prickett, Victoria, Cataract, Boney Falls, and Au Train impoundments.

Objectives

The objectives of this investigation are to: (1) gather all readily obtainable, existing information on wildlife and aquatic habitat/species associated with the subject impoundments and project lands, (2) conduct fieldwork to verify the presence and condition of existing data, (3) map and document (on a broad-scale) new occurrences of habitat and species of interest observed during the fieldwork effort, and (4) use these data to develop natural resource constraint maps/data bases for each impoundment.

Habitat/habitat components and species of interest and associated life stages that will be verified, documented, and mapped on all six impoundments (unless otherwise specified in parentheses below) include:

- Nearshore aquatic habitat (littoral) including EAV, SAV, coarse woody debris, clay, sand, gravel, and cobble;
- Possible nesting sites/platform locations for Bald eagle, osprey, and Great blue heron (Bond Falls, Victoria, Prickett, and Au Train);



UPPER PENINSULA POWER COMPANY (UPPCO)

SCOPE OF SERVICES

- Waterfowl nesting (including any existing nesting platforms);
- Greater sandhill crane nesting;
- Great blue heron nesting;
- Wood turtle nesting;
- Wetland habitats;
- RTE plant species;
- Bald eagle nesting;
- Osprey nesting (including any existing nesting platforms);
- Gray wolf (Bond Falls);
- Wild rice stands and possible restoration areas (Bond falls and Prickett);
- Goshawk, red shouldered hawk, and other woodland raptor nesting (Au Train);
- Trumpeter swan (Au Train);
- Garlic mustard (Au Train);
- Presence of Canada geese (Bond Falls);
- Sturgeon (Prickett); and
- Shoreline erosion and steep slopes.

Tasks

There are five tasks associated with this investigation. These include:

- Task 1: Investigation Procedures Preparation;
- Task 2: Existing Data Procurement, Mapping and Data Base Development, and Data Analysis;
- Task 3: General Field Reconnaissance;
- Task 4: Existing Data Verification and Mapping; and
- Task 5: Report.

Task 1: Investigation Procedures (IP) Preparation

An Investigation Procedures (IP) document will be prepared prior to the field investigation effort. The IP will include a detailed description of gear/equipment and procedures that ensure that all fieldwork and efforts associated with this project be conducted in a manner that assures the health, safety, and welfare of all project staff. In addition, specific procedures on data collection methods, data management, and copies of data collection sheets will be included in the IP. Adherence to these procedures will be paramount in ensuring quality of data, and consistency of data collection between field teams. The IP may be modified in response to the progress of the fieldwork and other factors. Changes to the IP will not be made without prior approval from UPPCO and E/PRO.



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Task 2: Existing Data Procurement, Mapping and Data Base Development, and Data Analysis

This task will involve searching for and analyzing all readily obtainable existing resource information associated with project lands in the study area. At a minimum, this search will include state and federal databases for RTE species, critical species habitat, resources maps (NWI, USGS Quads, NRCS soils maps, etc.), project licenses, and all information available from UPPCO.

All existing information will be entered into a GIS database, and a GIS-based natural resources basemap map will be produced. Categories may include known species and habitat locations, potential habitats, steep slopes/erodible soils, fisheries types/game fish species, wetlands, etc. This map will be used in the field to locate known habitats and will also enable field crews to focus on suitable habitat for the species of interest. In addition, the FERC project boundary associated with each impoundment will be accurately depicted on the basemap.

The existing data that will be analyzed and the anticipated existing sources from which these data will be derived include, but may not be limited to, the following:

- Aquatic habitat (review NWI maps, licensing application/license for information pertaining to different types of shallow nearshore aquatic habitat [i.e., emergent aquatic vegetation, submerged aquatic vegetation, coarse woody debris, clay, sand, gravel, and cobble] within the 6 impoundments.
- Waterfowl (look at NWI maps, and any existing information on known significant waterfowl habitat, etc.);
- Greater sandhill cranes (examine NWI maps and any existing information on known sites);
- Great blue heron (review any existing information on known or mapped rookeries);
- Gray wolf (analysis of potential habitat using MDNR and USFWS suitable habitat quality formulas, and review existing pack data);
- Wood turtle (review NRCS soil maps, MDNR data, NWI maps, etc., to look for potential nesting habitat associated with tributary [inlets, outlets, tailrace] riparian zones, with particular focus those areas with southwest exposures. Review MDNR fact sheets on known nesting sites and preferred habitat.);
- Wetland habitats (look at NRCS soils maps, NWI maps, and any other existing wetland data to develop a GIS-based constraints layer of wetland types);
- RTE (review data on the known and potential presence of RTE species. Add these locations to the GIS constraints map¹); and

¹ Due to the sensitivity of releasing RTE species location data to the public, these location data will be kept on a separate data layer, species descriptions will be generic (i.e., rare plant, rare animal), and general vicinities will be depicted, not exact locations.



UPPER PENINSULA POWER COMPANY (UPPCO)

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- Adjacent land uses (review aerial photographs, vegetation cover type maps, and any existing information on land use).

Task 3: General Reconnaissance and Nesting Documentation

This will be conducted to gain basic familiarity with all six impoundments (Bond Falls, Prickett, Victoria, Cataract, Boney Falls, and Au Train) and the surrounding landscape, and document nesting activity for several species. This task will be conducted by two field team leaders, one from E/PRO and one from an environmental subcontractor to E/PRO. These two individuals will likely be accompanied by one or more UPPCO personnel, or personnel familiar with the six impoundments.

Subtask 3.1 Reconnaissance by Boat

A boat will be launched at each impoundment and will be navigated along the shoreline and areas of interest including wetlands, steep slopes, islands, etc., will be briefly examined. Species occurrences will also be noted; however, detailed habitat and species data will not be collected during this reconnaissance phase. An E/PRO scientist will visit all six impoundments and the environmental subcontractor will visit three.

Subtask 3.2 Reconnaissance and Nesting Documentation by Float Plane/Helicopter

An E/PRO scientist and environmental subcontractor will conduct flights over all six impoundments and associated lands within the FERC project boundary to gain an overall familiarity with the impoundments and surrounding landscape. General land-use information may be collected during this effort. Readily discernible habitat features/species occurrences will be noted on a base map.

The biologists will also verify known nesting sites, and document new nest sites, for the following species:

- Bald eagle;
- Osprey; and
- Great blue herons.

In general, this two-person crew will fly over project lands in search of super canopy trees and recent, active, and potential nesting sites for bald eagles, ospreys, and great blue herons. All observed nesting site locations will be electronically recorded using a global positioning system (GPS) and marked on aerials photographs and project basemap for further investigation during the field investigation/ground truthing component of the overall work effort (Task 4).



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Overall, the flight surveys will be conducted in accordance with agency recommended aerial search methods for tree-nesting raptors and other species.

Task 4: Existing Data Verification and Mapping

This task constitutes the primary habitat mapping and species occurrence documentation effort. There are two goals associated with this task. These include (1) verification and, if necessary, correction of the existing information mapping, and (2) mapping and documentation (noting the presence/absence) of the natural resources of interest (previously undocumented habitat and species occurrences. The exception to this is RTE species and their habitat. The field effort will not involve actively seeking out RTE species. However, any new RTE species encountered during field surveys (in addition to the data supplied by agencies) will be documented and mapped. This effort will not involve extensive monitoring or conducting ecological function assessments, or assessing habitat quality or utilization. The end result of this task will be a broad-scale constraints map that depicts the locations of suitable habitat types for the species of interest.

Subtask 4.1 Surveys/Investigations by boat

This effort will be conducted by 2, 3-person field teams each led by a senior biologist, and two other biologists. Both crews will begin the work effort at Bond Falls and will work together for a sufficient period of time (likely a couple of days) to calibrate the field work and ensure consistency between the two crews. Following the calibration effort, one of the field teams will travel east and will be responsible for conducting fieldwork at the Au Train, Cataract, and Boney Falls impoundments. The other field crew will stay and finish the mapping effort at Bond Falls, and will also be responsible for the Victoria and Prickett impoundments. Both crews will have GPS units loaded with the following information:

- Shapefiles of the impoundments and FERC project lands; and
- Comprehensive data dictionaries of habitat component information (e.g., for submerged aquatic vegetation there will be pull-down menus for dominant species composition, percent areal coverage, etc.).

The work crews will navigate around each impoundment and examine littoral areas and riparian terrestrial habitat that is visible from the boats. Each crew will use binoculars, view tubes, and an underwater camera to view, document, and generally map habitat components and substrates. For littoral surveys, the crews may conduct a series of passes (both perpendicular and parallel to the shoreline) until specific habitat and substrates types (such as SAV beds and coarse woody debris) are encountered. Several possible surveys methods will be specified in the IP. In addition, the work crews will also document the presence of various species of interest. The locations of species and habitat (both known and not previously mapped) will be noted on the basemap and recorded with



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a GPS unit. In addition to entering data into the GPS units, data forms will be completed for each habitat/potential habitat observed and photographs will be taken. A depth finder will be used to record bathymetry data in each impoundment for which these data are lacking.

Subtask 4.2 Investigations on Foot

In addition to conducting surveys from boats, the work crews will walk along the shorelines and around some of the FERC project lands to verify existing habitat, and document suitable habitat/habitat components for the species of interest. Surveys of lands within the FERC project boundary will be limited to areas of suitable habitat (for the species of interest) that cannot be viewed and characterized from the boats. All occurrences of species of interest will be noted, and previously documented RTE species specific locations will be examined.

Task 5 - Report

E/PRO will produce a letter report associated with this work that will include:

- A composite natural resources constraints map within the FERC project boundaries for the impoundments, with associated individual data layers and metadata; and
- A summary of investigation objectives, methodologies/rationale, and results.



Engineering & Environmental Consulting, LLC

Public Meeting – 2 May 2006

5

How would hundreds of private, lighted docks and walkways meet the same goals?

Again, there is no proposal for hundreds of private, lighted docks and walkways. However, for the sake of discussion, let's assume there are some docks (private or public and lighted or not are probably irrelevant factors) and walkways. For them to be allowed, the environmental studies must conclude that they will not harm the old-growth forest, be detrimental to loons, or contribute to shoreline erosion significantly. The construction of docks actually decreases shoreline erosion since boaters aren't compelled to pull boats on shore, for example. Let's wait for the outcome of the studies.

Why wasn't a Michigan Company chosen to conduct the environmental studies?

E/PRO is environmental and engineering firm with an outstanding national reputation. It is, however, subcontracting with a Michigan company for assistance in this effort.

12/28/2006

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 7
20 April 2006
PRESS RELEASE – MAY PUBLIC MEETINGS

UPPCO SCHEDULES PRESENTATIONS ON ENVIRONMENTAL STUDIES FOR HYDROELECTRIC PROJECT LANDS

Parties may submit written comments on scope of studies for FERC consideration

HOUGHTON MI – As part of its commitment to keeping the public informed about potential project land uses connected with its recent land sales, Upper Peninsula Power Company, a subsidiary of WPS Resources Corporation (NYSE:WPS), will hold public presentations at two locations to provide information regarding its planned environmental studies for hydroelectric project lands.

The environmental studies will help to provide the basis for UPPCO's future project land-use proposal to the Federal Energy Regulatory Commission (FERC). The studies will include wildlife and aquatic habitat, loon nesting, recreational resources, and aesthetic resources. The environmental study scopes are available for review on UPPCO's Web site: www.uppco.com/info/landsale.asp

At the meetings, and through May 19, UPPCO will accept written public comments concerning the scope of its environmental studies, which were developed through consultation with agencies including the Michigan Department of Natural Resources, Michigan Department of Environmental Quality, the U.S. Fish and Wildlife Service, the USDA-Forest Service, the Keweenaw Bay Indian Community, the National Park Service, and the Michigan Hydro Relicensing Coalition. Each comment submitted will be addressed in UPPCO's future proposal to FERC.

“Comments on the scope of the studies will become part of the FERC process and therefore must be written and specific for the sake of accuracy,” said Janet Wolfe, UPPCO spokesperson. “Issues supported by data will benefit the process, general comments and complaints won't.”

The format of the meetings will be presentations on the topics described in the table below with a brief time allowed to answer questions regarding the scope of the studies or the FERC process. Questions will be solicited on cards, and any questions not answered in the time allotted will be addressed on UPPCO's Web site. Before and after the presentations, informational booths will be open for one-on-one discussions, individual questions, and a closer look at visual materials.

In addition, at the Trout Creek meeting the company will unveil its redesign of camping facilities for Bond Falls. The campground redesign has already received FERC approval.

UPPCO Informational Meetings

DATE	MEETING SITE & TIME	TOPICS
May 2	American Legion Hall Trout Creek MI 7:00 – 8:00 p.m.	<ul style="list-style-type: none"> • Environmental studies planned for Bond, Victoria, and Prickett • FERC process and timeline • Bond Falls Campground
May 9	Tailwinds K.I. Sawyer MI 7:00 – 8:00 p.m.	<ul style="list-style-type: none"> • Environmental studies planned for AuTrain, Boney, and Cataract • FERC process and timeline • Limited development of shoreline land at Cataract not subject to FERC jurisdiction

“We appreciate the support the land development and its related economic benefits have received from individuals, organizations and local governmental units,” said Wolfe. “Their efforts and encouragement in the form of petitions, letters, resolutions, and phone calls tell us that this is the right thing to do.

“We must ensure that any uses proposed for project lands are consistent with the requirements of the FERC license and continue to provide public access to the project lands. The environmental studies will help make those determinations.”

Public Comment on scope of environmental studies

UPPCO will accept written comment at either of the two public meetings or by mail to:

UPPCO Environmental Studies
c/o Janet Wolfe
PO Box 130
Houghton MI 49931

Comments should address specific issues connected with the scope of the environmental studies and must be postmarked by May 19, 2006.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 8
Late April 2006
DIRECT MAIL – FOCUS GROUP INVITE

Direct Mail – Focus Group Invite – Late April

2

INVITATION TO SERVE ON A CITIZENS' GROUP

We are in the process of developing a citizens' group to share information regarding the treatment of land surrounding our hydro projects at AuTrain, Boney Falls, and Cataract. The group of between 12 and 15 members would raise and discuss issues and offer suggestions to UPPCO. It would represent a variety of stakeholders with diverse points of view. These may include neighboring property owners as well as representatives of local government, business, economic development, and outdoor recreational interests.

We feel neighboring property owners and citizens who use the area for recreation should be represented, and you have been identified as someone who may be interested in serving.

For the sake of balance and effectiveness, we would like just one person from each organization to represent its viewpoints, and this is true of the citizen representatives as well. For continuity and consistent communication, the same person should attend the meetings.

This citizens' group will meet one night a month over the next six months. The first meeting will be May 23 from 6:00 to 7:30 p.m. at the Tailwinds Grill at K. I. Sawyer. Light refreshments will be served. Times and locations for subsequent meetings will be determined by the group.

Please contact Janet Wolfe at jwolfe@wpsr.com or (906) 483-4528 by May 19 if you're interested in joining this group. Please provide your name, address, phone number and e-mail address. If we do not hear from you, we will assume you are not interested in serving.

Thank you for considering this invitation.

12/29/2006

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 9
1 May 2006
MICHIGAN DNR COMMENTS
RE: UPPCO NON-PROJECT USE OF PROJECT LANDS



STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

REBECCA A. HUMPHRIES
DIRECTOR

May 1, 2006

Mr. Shawn Puzen
Wisconsin Public Service Corporation
700 North Adams Street
P.O. Box 19002
Green Bay, WI 54307-9002

Dear Mr. Puzen:

Subject: UPPCO Non-Project Use of Project Lands (FERC Project Nos. 1864, 10854, 2506, 2402, and 10856)

In response to Upper Peninsula Power Company's (UPPCO) intention to develop project lands for non-project uses at the above referenced hydropower projects, representatives from Michigan Department of Natural Resources (DNR), U.S. Forest Service, U.S. Fish and Wildlife Service, National Park Service, Keweenaw Bay Indian Community, and Michigan Hydro Relicensing Coalition/River Alliance of Wisconsin (collectively referred to as "Agencies") have been in communication with you regarding protection of sensitive species and habitats. In spite of our ongoing communication, the DNR would like to again emphasize our concern that the informal process we are following to identify species and habitats that deserve protection from development is not well-defined and lacks a clear avenue for public involvement.

To resolve our concerns, we ask that UPPCO follow FERC's Guidance for Shoreline Management Planning at Hydropower Projects (SMP), which is described as a "comprehensive plan to manage the multiple resources and uses of the project's shorelines in a manner that is consistent with license requirements and project purposes, and addresses the needs of the public" (see attached for an outline of portions of this document that we feel are applicable).

The DNR would like to request a meeting with UPPCO and FERC staff to discuss the SMP and a process for non-project use of project land that is acceptable to all parties. We suggest that the agenda for May 8 be modified to include this issue. Additionally, without resolution on the process by which resource protection will be based, the DNR feels that it is premature to discuss UPPCO's proposed Study Scopes and would like to postpone this discussion to a later date.

Please let us know by May 5 if you are willing to change the May 8 meeting agenda to instead discuss the process for non-project use of project lands. It is our hope that by meeting to resolve these issues now, we will avoid a lengthy appeal process after submittal of the final development

plan.

If you have any questions about this matter, please contact me at 906-249-1611 ext 308 or mistakjl@michigan.gov. If you wish to contact me in writing, my address is:

Marquette Fisheries Station
Michigan Department of Natural Resources
484 Cherry Creek Rd
Marquette, MI 49855

Sincerely,



Jessica Mistak, Senior Fisheries Biologist

cc: Chris Freiburger, DNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 10
9 May 2006
PUBLIC MEETING

Why did you hire electrical engineers to do your environmental studies?

E/Pro Engineering & Environmental Consulting, LLC is a nationally known environmental consulting firm that is a leader in the environmental industry. Therefore, they are qualified to assist in these studies.

Does it matter what the environmental studies find – or is it already sold?

The purpose of the environmental studies is to determine what non-project uses of project lands (docks, trails, etc.) are appropriate. The lands being sold are nonproject lands, and their sale is not subject to the results of the environmental studies.

Is this going to be a bird/wildlife count before houses and then after houses to determine the effect of development or will the environmental studies possibly stop or slow development?

The impacts on the project boundary will be assessed through the detailed environmental studies.

Why was WPS's new asset management strategy not mentioned in the 2000 IES when UPPCO said it had no plans for development?

At the time WPSR announced its asset management strategy, it did not have the details about what land would be sold or how it would be sold. UPPCO initially attempted to follow WPSC's Peshtigo River sale method (i.e. sale of most lands to the DNR or another governmental agency and retention of smaller areas for limited development).

I noted a discrepancy – please clarify. During the relicensing process, UPPCO stated it had no plans to develop the lands. Roger now stated plans to dispose of property began in 2001-2002.

Why wasn't an SMP initiated during the relicensing process?

The strategy to dispose of unneeded property was a WPS Resources strategy, not an UPPCO. The strategy did not specify development as a disposal method. In fact, as indicated earlier, in 2002 UPPCO initially attempted to follow WPSC's Peshtigo River sale method, i.e. sale of most lands to the DNR or other governmental agency and retention of smaller areas for limited development. It was only after no offers or significant interest was forthcoming from such agencies that UPPCO began, in late 2004, discussions with the groups that had expressed a high level of interest in buying the lands, that being developers. Please note: the Peshtigo River activities did not require the initiation of an SMP (Shoreline Management Plan).

The AuTrain basin is going to go through a drawdown for repairs. How will the habitat studies be handled during that time?

The habitat studies will assess the aquatic habitat at full pond level. The reservoir drawdown will occur slowly over several months beginning June 1, 2006. The environmental studies will occur during the month of June in the early stages of the drawdown or very near normal reservoir levels.

What are you asking FERC to do?

We'll be able to answer this question once we complete our studies.

If FERC fails to approve your plans, how will that affect the sale?

The non-project plans will be sold, regardless of FERC action.

As it stands right now, the land is basically empty. It's used mainly by fourwheelers and dirt bikes. Will there be some sort of watchdog after the sale to make sure someone doesn't cause erosion or sewage discharge or that type of thing?

The non-project land is privately owned property that can be bought or sold as can any other privately owned property. As a local citizen, UPPCO has taken the sale of non-project lands one step further by retaining the right to approve the buyer's restrictive covenants. The non-project land will continue to be subject to environmental requirements such as erosion control.

Will the FERC document describing the process you'll be following be available on your Web site?

It is available now from a link on the Land Sale home page.

As I understand the process, the FERC license is your Bible. Shouldn't the shoreline management plan have been done before you sold the land? The lands outside the project lands do have an impact on project lands.

No – the impact upon project lands lies mostly with what is proposed to happen within the project boundary with non-project use of project land. If UPPCO were not proposing non-project use of project lands, UPPCO would not be involved in the current process of environmental study, consultation, and FERC review/approval.

I'm on the Limestone Township Board, and although you say we supported the sale, I don't recall our doing that.

The newspaper article referenced for this question referred to sales that have been completed, and the development proposed for those sold lands has been supported by local governments. Although no land in Limestone Township has been sold, UPPCO in the summer of 2005 did meet with the Limestone Township Supervisor and received positive feedback concerning the potential economic development that could result from land sales.

I'm concerned about the article in the Mining Journal that talked about view corridors and docks for the back lots. What are your plans?

We plan to proceed with the Shoreline Management Process Plan to determine what uses of project lands will be appropriate.

What's going to happen to the waterfall refuge at the south end of AuTrain Basin? How can it stay in place if you sell the land?

We're well aware of it and will take it into consideration as we move forward to develop our plans.

It seems that UPPCO has been working mighty hard to get conveyances pushed through for Naterra – did the sale price of the land have anything to do with those negotiations?

The terms of UPPCO's agreement with Naterra are proprietary, as is standard in most similar business transactions. UPPCO is pursuing granting certain rights for non-project uses of project lands through what is referred to as the Standard Land Use Article. These uses are contemplated and specifically provided for in UPPCO's FERC licenses providing the uses are consistent with the license terms. The Standard Land Use Article appears in all recent FERC licenses. UPPCO is

gathering the data necessary to demonstrate that any rights granted for the use of project lands are completed consistent with the requirements of the FERC licenses.

I'm concerned with the parcel of land below the Cataract powerhouse being developed. Can you tell us what the plans for that are?

That land has been sold to Naterra, and they are proceeding with plans to divide the parcel and sell residential lots.

FERC lands must be available for use and access by the public. Can you explain how that will be possible if there are private docks on the shore?

If private docks are allowed, only the docks themselves will be private. The shoreline will continue to be open to the public as before.

Comments Received:

Do you REALLY need to develop the AuTrain Basin!! There are not a lot of large uninhabited lakes left. - *Chatham MI*

I was pleased to hear that Ewing Township will be informed as development of Boney Falls Project proceeds - *Rock MI*

I'm concerned about any roads required to gain access to the developed property. Road commissions are not staffed to maintain additional roads - *Rock MI*

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 11
15 May 2006
CLARIFICATION OF ENVIRONMENTAL STUDY SCOPES

Puzen, Shawn C

From: Puzen, Shawn C
Sent: Monday, May 15, 2006 1:14 PM
To: "Angie Tornes" <angie_tornes@nps.gov>; "Chris Freiburger" <freiburg@state.mi.us>; "christie_deloria@fws.gov".GWIA.WPSCDOM; "Kirk G Piehler" <kpiehler@fs.fed.us>; "Mark Fedora" <mfedora@fs.fed.us>; "Mike J Lanasa" <mianasa@fs.fed.us>; "mistakjl@michigan.gov".GWIA.WPSCDOM; "raevans@fs.fed.us".GWIA.WPSCDOM; <gmensch@kbic-nsn.gov>; <jdschramm@oceana.net>; ddominie@eproconsulting.com; Egtvedt, Gregory; gemond@eproconsulting.com; gustafsc@michigan.gov; Hartman, Kathryn; Heidel, Richard; john.estep@ferc.gov; kgosselin@eproconsulting.com; lesley.kordella@ferc.gov; Moyle, Keith; Puzen, Shawn; Snyder, Gilbert; Spees, Kerry; Stevenson, Pamela; troutkpr@up.net; Trudeau, Roger; wcampbell@eproconsulting.com
Subject: UPPCO Land Sale Environmental Study Clarifications

Attachments: Study Clarifications 5-15-06.pdf



Study Clarifications
5-15-06.p...

Hello All-

As indicated in last Monday's meeting, attached is a clarification of the environmental study scopes that was requested during the meeting. This should provide you with the explanation of what studies were not included in the scopes and why. As a reminder, the comments on the study scopes are due by the end of the day May 19, 2006. If we do not hear from you by then, we will assume you have no comments.

In addition, E/Pro is still working on putting the list of protocols together. This list should be complete and forwarded to you by the end of the day tomorrow. As you remember, we agreed to have the comments on the protocol by the end of the day May 23, 2006.

Thank you for your attention on this matter.....

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Environmental Study Clarification

In response to the resource agencies requests, we are providing this summary of the studies proposed to be performed, and it includes the rationale for not performing certain other studies. The areas to be studied include each of the six impoundments and the lands within the project boundary/buffer area at each of the impoundments, unless otherwise indicated. As part of the studies to be conducted below, all notable floral and faunal observations will be documented, and if representing a stationary feature, will be mapped.

Resource agency-recommended studies UPPCO proposes to conduct:

- Nesting Structures - UPPCO's installed nest structures (osprey, loon, waterfowl) to be confirmed and mapped
- Bald eagle - suitable habitat to be identified and mapped
- Osprey - suitable habitat to be identified and mapped
- Common loon - suitable habitat to be identified and mapped
- Waterfowl – suitable nesting habitat to be identified and mapped (includes Trumpeter Swan at Au Train)
- Sandhill cranes - suitable nesting habitat to be identified and mapped
- Great blue herons - suitable nesting habitat to be identified and mapped (Cataract)
- Gray Wolf - suitable habitat to be identified and mapped
- Wild rice – suitable areas for wild rice seeding to be identified and mapped (Bond Falls and Prickett)
- Wood turtle – the wood turtle habitat survey will be limited to suitable nesting habitat along impoundment inlets and outlets.
- Shoreline erosion – areas observed to be eroding will be mapped
- Recreation – existing land and water uses and structures will be identified and mapped. Additionally, a desk top boating carrying capacity study will be performed.
- Aesthetic features – areas of high aesthetic value will be identified and mapped. Descriptions of why these areas have high aesthetic value and who values the aesthetic resources will be provided.

Resource agency-recommended studies UPPCO proposes to conduct – with UPPCO modifications:

- Aquatic habitat protection – littoral zone aquatic habitat will be evaluated and mapped. The transect methodology (using transits) recommended by the agencies will not be used. The recommended transect method would be more appropriate for studying the potential effects of water level changes to littoral habitat, not necessarily for natural resource inventory and mapping. We are proposing to conduct a littoral habitat resource mapping effort. As part of this effort, we propose to map littoral habitat using a variety of tools including view tubes, underwater cameras, sonar depth finders, and GPS receivers. Boat crews will still navigate along multiple transects to map littoral habitat; however, the transit methodology will not be employed. The result will be an impoundment perimeter survey.

- Goshawk, re-shouldered hawk, and other woodland raptors (Au Train) – The Hiawatha National Forest woodland raptor survey protocol as recommended by the USFS will not be utilized as it is much more involved and time consuming for what is needed. Rather the investigation for woodland raptors will be limited to general visual and auditory observation. Known nest site locations will be investigated and all observed nest sites will be documented and mapped.
- Canada geese (Bond Falls) – Based on agency comments, a nuisance Canada geese problem apparently already exists. While observed Canada geese will be noted, a plan to deter proliferation is not being developed because there is no current connection between the proposed non-project uses of project lands and Canada geese.
- Rare, threatened, sensitive and special concern species – historic records will be consulted, and observed species noted by the agencies will be documented, but a comprehensive inventory of RTE species within the project boundaries will not be conducted at this time. Once site-specific development proposals are known, the specific areas will be inventoried for RTE's.

Resource agency-recommended studies UPPCO does not propose to conduct:

- Water quality – no additional water quality data will be collected, as adequate historic and recent water quality data exists.
- Nuisance plants – the current project licenses already require periodic nuisance plant surveys, therefore, additional surveys will not be conducted. Best management practices will be implemented where there is ground disturbing activity within the Project boundaries. Homeowner restrictions on acceptable vegetation plantings is not within the purview of these studies.
- Archaeological/geological/cultural features – Archaeological investigations were conducted during the relicensing of each project. No further investigation will be conducted. Known significant archaeological/geological/cultural features will be mapped.
- Lake sturgeon – There is no lake sturgeon habitat within the Prickett Project boundary. Therefore, it will not be investigated. In addition, downstream lake sturgeon spawning habitat information already exists.
- Habitat surveys - old growth, mesic conifer, and red oak – timber surveys (species, age class, etc.) have recently been conducted at each impoundment. Therefore no new forest habitat surveys are proposed.

Puzen, Shawn C

From: Puzen, Shawn C
Sent: Tuesday, May 16, 2006 4:04 PM
To: "Angie Tornes" <angie_tornes@nps.gov>; "Chris Freiburger" <freiburg@state.mi.us>; "christie_deforia@fws.gov".GWIA.WPSCDOM; "Kirk G Piehler" <kpiehler@fs.fed.us>; "Mark Fedora" <mfedora@fs.fed.us>; "Mike J Lanasa" <mianasa@fs.fed.us>; "mistakjl@michigan.gov".GWIA.WPSCDOM; "raevans@fs.fed.us".GWIA.WPSCDOM; <gmensch@kbic-nsn.gov>; <jdschramm@oceana.net>; ddominie@eproconsulting.com; Egtvedt, Gregory; gemond@eproconsulting.com; gustafsc@michigan.gov; Hartman, Kathryn; Heidel, Richard; john.estep@ferc.gov; kgosselin@eproconsulting.com; lesley.kordella@ferc.gov; Moyle, Keith E; Puzen, Shawn; Snyder, Gilbert; Spees, Kerry; Stevenson, Pamela; troutkpr@up.net; Trudeau, Roger; wcampbell@eproconsulting.com
Subject: UPPCO Land Sales Environmental Assessment Study Methods
Attachments: Habitat study methods 5-16-06.pdf

Hello All-

Per our meeting on May 8, 2006, enclosed is a copy of the explanation of study methods as promised. Please provide your comments by the end of the day May 22, 2006. If you do not provide comments by that time, we will assume you do not have any comments.

Please let me know if you have any questions.....



Habitat study methods 5-16-06....

Thanks,

Shawn C. Puzen
 Environmental Consultant
 Wisconsin Public Service Corporation
 (920) 433-1094
 scpuzen@wpsr.com

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UPPER PENINSULA POWER COMPANY (UPPCO): General Field Study Methods

Existing Information Verification and Natural Resource Constraints (Wildlife and Aquatic Habitat) Mapping

INTRODUCTION

This document describes the general field study methods that will be employed during the habitat mapping effort that will be conducted in June 2006 at the Bond Falls, Prickett, Victoria, Cataract, Boney Falls, and Au Train impoundments. The anticipated final product of this effort will be a letter report, a GIS-based natural resources constraints map and an associated database for each impoundment. Natural resource mapping surveys will be conducted by helicopter, boat, and on foot. The study area (hereafter referred to as the "investigation area") includes all lands and water within the Federal Energy Regulatory Commission (FERC) project boundary of each impoundment.

Helicopter Surveys

Aerial Bald Eagle, Osprey, and Great Blue Heron Nest Surveys

Aerial nest surveys will be conducted using a helicopter. Personnel performing aerial nest surveys will be experienced in bird identification and will have experience conducting wildlife observations from a helicopter and/or airplane. If possible, flights will only be conducted when conditions are conducive to this type of survey, including skies with at least one-mile visibility and winds less than 15 mph. These aerial surveys will be conducted at all six project impoundments and will encompass FERC project lands including islands.

Two wildlife biologists will perform aerial surveys as follows:

- Fly up to three transects (3) over FERC project lands while flying parallel to the shoreline of each impoundment. If three transects are required (based on the width of FERC project lands), a transect will be flown at the outer land-ward edge, middle, and shoreline of lands within the FERC project boundary;
- Fly at low elevations to search for and observe existing nest sites, nesting platforms, and potential nesting sites and perch trees from relatively low elevations;
- If necessary, hover over these areas and thoroughly observe and document conditions;
- Use a GPS receiver (capable of sub-meter accuracy) loaded with GIS shapefiles of the project area and location data of known natural nesting sites and man-made platforms. The GPS unit will be used to navigate to known nesting locations, and to record the locations of any new nests or other pertinent information. In addition, digital photographs will be taken;
- Take detailed field notes and digital photographs, and sketch the locations of new nest sites onto a set of GIS-generated field maps. Information recorded will include areas surveyed, locations of any nests observed, status of nests (active/inactive), and locations of suitable nesting habitat, and existing and potential perch trees.

UPPER PENINSULA POWER COMPANY (UPPCO): General Field Study Methods

Existing Information Verification and Natural Resource Constraints (Wildlife and Aquatic Habitat) Mapping

Observations of habitat and other species of interest (i.e., significant wetland complexes, woodland raptors, waterfowl and wading birds) will also be documented and investigated further during boat and ground surveys scheduled to be performed in June 2006.

Boat and Ground Surveys

Aquatic Habitat (Boat Surveys)

Biologists will map the vertical and areal distribution of aquatic habitat as follows:

- Navigate along continuous transects parallel to, and representative transects perpendicular to the shoreline within the littoral zones of each impoundment searching for various aquatic habitat types using view tubes, underwater cameras, underwater rakes, sampling dredges, and depth finders;
- As different habitat components are encountered, (i.e., extensive areas of submerged aquatic and emergent aquatic vegetation [SAV and EAV], coarse woody debris, coarse mineral substrate based on the Wentworth Scale, etc.); document their characteristics and record their locations and general extent with GPS receivers. All GPS receivers will be loaded with a comprehensive data dictionary;
- In addition to collecting data using GPS receivers, digital photographs will be taken and data sheets will be completed and habitat and species information will be sketched onto GIS-generated field maps;
- Record bathymetry data in order to later compare these data to full pond elevations. These data will be used to determine vertical distribution of aquatic habitat types during full pond conditions.

Waterfowl, Wood Turtle, Greater Sandhill Crane, and Trumpeter Swan Nesting Habitat

While conducting boat and ground surveys, biologists will map and assess potentially suitable nesting habitat as follows:

- Document and map occurrences of these species in the project area using GPS receivers, taking digital photographs, completing data sheets, and sketching locations of observations on field maps;
- Document potential suitable nesting habitat as it is encountered;
- Compare observed and documented habitat characteristics with the specific nesting habitat requirements of the above-listed species to determine the presence of suitable nesting habitat.

UPPER PENINSULA POWER COMPANY (UPPCO): General Field Study Methods

Existing Information Verification and Natural Resource Constraints (Wildlife and Aquatic Habitat) Mapping

Goshawk, Red Shouldered Hawk, and other Woodland Raptors

Biologists will document all occurrences (sight and sound) of woodland raptors in the project area while conducting boat and ground surveys. As with other species occurrences, observations will be documented by completing data forms, and by collecting location data with a GPS receiver, and/or with digital photographs. The presence of suitable nesting trees will also be documented and mapped.

Wetlands

Biologists will perform the following:

- Review National Wetland Inventory and Natural Resource Conservation Service maps to determine the potential presence of wetland habitat in the project area;
- Document the presence of wetland habitat during the boat and ground surveys by sketching the general extent of these areas onto project field maps, and using GPS to map the areal extent of wetlands in the project area;
- Document the prominent plant species in each wetland cover type, and note hydrological conditions including the extent of inundation and general water depths;
- Classify each wetland cover type in accordance with Cowardin et al. (1979).

Rare, Threatened, and Endangered (RTE) Plant Species

A GIS-based map layer of documented RTE plant species occurrences within the project area (based on Michigan RTE plant database information) will be produced and reviewed by biologists. Biologists will navigate to these areas using GPS and search for these RTE plant species. In addition, biologists will document new occurrences of these RTE plant species if they are observed during boat and ground surveys. All known and new occurrences of RTE plant species will be documented with digital photographs, by completing data forms, and by collecting location data with a GPS receiver. ***Due to the sensitivity of RTE species location data, all information collected as part of the RTE plant species documentation effort will be kept confidential and will only be reported to state and federal agencies.***

Gray Wolf

Biologists will review existing pack data and federal and state suitable habitat formulas. In addition, all observations of wolf activity within the project area will be documented.

Wild Rice

Biologists will perform the following:

UPPER PENINSULA POWER COMPANY (UPPCO): General Field Study Methods

Existing Information Verification and Natural Resource Constraints (Wildlife and Aquatic Habitat) Mapping

- Document and map the occurrence of wild rice in shallow water areas;
- Map potential wild rice restoration areas through observation of relevant characteristics including: areas with generally less than two feet of slow-flowing water, and mucky or silty substrates.
- Document observations of Canada geese or other wildlife species known to consume and potentially have a negative effect on the growth and distribution of wild rice.

Shoreline Erosion

While conducting boat and ground surveys, biologists will document the presence of shoreline erosion within the project area. Specifically, biologists will document:

- Areas of erosion including the general height and length of eroding shorelines;
- To extent possible, the potential causes of erosion (man-made or natural).

These areas will be recorded with GPS, sketched onto field maps, and photo-documented.

Presence of Plant and Wildlife Nuisance Species

Biologists will document the presence of nuisance plant and wildlife species within the project area. This will be accomplished through general observation of these species while performing boat and ground surveys. These species include, but may not be limited to, the following:

- Garlic Mustard;
- Purple Loosestrife;
- Common Reed;
- Canada Geese

All occurrences of nuisance plant and wildlife species will be documented with digital photographs, by completing data forms, and by collecting GPS location data.



United States
Department of
Agriculture

Forest
Service

Ottawa National Forest
Watersmeet Ranger District

E24036 Old US 2 East
Watersmeet, MI 49969
(906) 358-4551
(906) 358-4829 (FAX)
(906) 358-0289 (TTY)

File Code: 2770
Date: May 18, 2006

Shawn Puzen
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Dear Mr. Puzen:

Per your request, The USDA Forest Service (USFS) has reviewed your April 18, 2006 Draft Study Scopes to address non-project use of project lands (FERC Project Nos. 1864, 10854, 2506, 1402, and 10856). In addition and as requested, we have also reviewed the May 15, 2006 study clarification document. Our comments are provided as a natural resource agency participating, along with other natural resource agencies, within the context of the FERC process UPPCO is following for non-project use of project lands. These comments are provided based upon our experience and knowledge, and that of the other participating agencies, in assessing the effects of land management activities on natural resources within our area.

At our May 8th, 2006 meeting in Crystal Falls, Michigan, you requested that the resource agencies provide specific comments on how proposed surveys, mapping and other assessment and data collection techniques for wildlife, aquatic, and recreation resources could be carried out. Based on that request, we offer the following suggestions for improving the quality of the data to be collected. Based on our experience, the type of data we recommend collecting is needed to establish a credible scientific basis for land-use planning and decision making, particularly where broader public interests may be involved.

General Comments

As a general comment, it is our understanding that most of these investigations are limited to 1 to 2 days of work by the field crews, probably in June. While the information gathered will certainly contribute to our knowledge of these resources, it should also be recognized that the information gathered during such a brief window of time will not be complete, and in some cases may not be adequate to perform detailed analysis or draw strong conclusions related to impacts that may result from developments on project lands and waters. A more comprehensive study, involving visits to the flowages at various times throughout the field season (spring through fall, at least) would provide much more information and allow for a better and more informative analysis.

It should be noted that spawning for many of the game fish species (walleye, perch, northern pike) will have occurred long before the aquatic surveys take place in June, and it is possible that many of these locations may actually no longer be inundated by water in June (particularly for



Bond Falls flowage), depending on reservoir elevation. This should be taken into account by the surveyors when assessing availability of fish spawning habitat.

Additionally, in the case of wildlife and fish resources, there is an expectation in all of these licenses that habitat will be enhanced over time as a result of compliance with terms and conditions. For example, loons may not be nesting or exhibiting territorial behavior when the surveys are conducted, and may not even be present due to water level fluctuations that make successful nesting impossible. However, when all license terms and conditions are complied with in the future, it may be possible to support successful loon nesting (this same situation applies to eagles, ospreys, many fish species, etc.). Therefore, when the surveys are conducted, potential use of these areas by these species should be evaluated in addition to any existing use.

Field Methodology

As mentioned at our May 8, 2006 meeting, protocols or procedures for all of the surveys should be provided for agency review and comment. The USFS understands that some adjustments to procedures may be required once the field work begins and we will work with the other resource agencies and tribal staff to identify an individual for E-Pro to contact in the event modifications are needed.

Wildlife and Aquatic Habitat Data Verification and Mapping

Sandhill Crane Fall Staging

In addition to mapping existing and potential Sandhill Crane nesting habitat, fall staging areas should be mapped. Beginning in August, Sandhill Cranes will feed together in the same locations, roost in small flocks at night, and gather in large flocks at staging areas. Staging areas are wetlands usually within a day's flight of nesting marshes that offer food, social interactions, and protection prior to migration. Some of the smaller staging areas may attract a dozen or so birds.

Bald Eagle and Osprey

For bald eagles and ospreys, in addition to existing nest sites and potential future nest sites (super-canopy trees), we recommend that the investigation also identify specific shoreline areas and/or trees currently being used by eagles for resting/feeding, as well as areas of high eagle/osprey activity in general.

Areas of Low Road Density

We recommend that all existing roads accessing the reservoir shoreline area be identified and mapped and road densities calculated so that areas on project land that have limited road access can be identified and mapped. These areas may be important to protect for species such as gray wolf, woodland raptors, nesting loons, nesting bald eagles, and others.

Gray Wolf

For the evaluation of wolf habitat, we recommend that you evaluate and map all existing roads accessing project lands, so that areas with limited or no road access and limited human activity can be identified. This evaluation should not be limited to Bond Falls; rather, it should be done at all projects where development is proposed.

Habitat Surveys - Old Growth, Mesic Conifers, and Red Oak

You have suggested that existing UPPCO timber inventory data will be provided, and that that will be adequate to meet the need for this information. We are concerned that timber survey data may be inadequate to identify project lands for stands that support tree species or stand structural characteristics that are important to many wildlife species, especially stands with old growth characteristics (large trees, down wood, snags, multiple canopy layers) and stands that contain mesic conifers (cedar, hemlock, white pine) or red oak. For example, timber surveys typically identify stands as "northern hardwoods" of a certain average diameter, with no indication as to whether the stand contains a hemlock component, the amount/size of hemlock, and/or whether hemlock regeneration is present. Few or no timber surveys that we are familiar with provide specific data on number of snags, very large trees, coarse woody debris, and occurrence of minor but important species (i.e. red oak, hemlock, cedar). We believe that this higher level of detail may be necessary in order for us to adequately evaluate potential impacts of development activities on old-growth forests on project lands.

Lake Sturgeon Habitat

Although lake sturgeon habitat may be outside of the project boundary, we recommend that it be identified on a map so that any potential impacts from proposed development can be identified.

Aquatic Habitat Protection

USFS supports the original request to perform these surveys using the transect methodology recommended by MDNR. MDNR fisheries biologists use this method for aquatic resource inventory and mapping, and feel it is necessary to obtain this type of data in order for them to be able to fully evaluate the impacts of development proposals on aquatic habitat.

Recreational Resources Investigation

Prickett Stump Evaluation

When evaluating the ecological issues involved with stump removal at Prickett, we recommend you also include the impacts to birds that use the stump cavities for nesting.

Other Comments

Rare Species, Nuisance Plants

Your study clarification document states that you will not survey for rare, threatened, sensitive and special concern species until site-specific development proposals are known. It would seem to make more sense to conduct these surveys now, in order to know in advance where development should not occur. However, surveys can be done later, as long as you are prepared to conduct them at some time prior to any development occurring, and recognize that modifications to development plans may, in some cases, be needed to protect these unique resources.

The study clarification document also states that nuisance plants are monitored periodically and therefore it is unnecessary to survey for them now. Currently, only aquatic nuisance plants such as Eurasian watermilfoil and purple loosestrife are monitored. Development activities can cause the spread of nuisance and invasive terrestrial plants as well. We recommend that you conduct surveys of project lands in advance of development to identify infestations of terrestrial invasives such as spotted knapweed, garlic mustard, Japanese barberry, glossy buckthorn, common

buckthorn. Then the proper best management practices can be employed when activities within the project boundary are proposed.

Also, USFS has recently become aware that there may be several infestations of Eurasian watermilfoil at Bond Falls Flowage, previously not discovered. We do not have exact locations yet for these infestations, but do have information as to their general location. We would appreciate it if the aquatic survey team could contact our office prior to doing their field work so that we could provide information on these infestations. The aquatic team should attempt to better document the location and extent of these infestations, so that this information can be provided in the study report.

Please spell out acronyms the first time they are used. There is a typographical error on page 2 of the recreational investigation; east and west projects are mixed up.

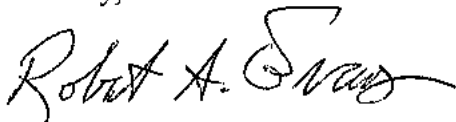
Please inform your contractors of the Eurasian watermilfoil infestation at Prickett. Boats must be cleaned and inspected before being transported to another waterbody.

Please provide the USFS with advance notification of the location and schedule of the field investigations so that we may participate as schedules allow.

Thank you for the opportunity to provide these comments.

If you have any questions about this matter, please contact me at 906-358-4551 (Ext. 23) or raevans@fs.fed.us.

Sincerely,



ROBERT A. EVANS
Wildlife Biologist

Cc: Theodore W Geier/R9/USDAFS, Mike J Lanasa/R9/USDAFS, Kirk G Piehler/R9/USDAFS, Christie Deloria FWS, Gene Mensch KBIC, Angie Tornes NPS, Jim Schramm MHRC, William Deephouse MHRC/RAW, Pam Stevenson AG, Chris Freilburger MDNR, Jessica Mistak MDNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 12

16 May 2006

MICHIGAN DNR COMMENTS ON PROJECT LANDS STUDY SCOPES



STATE OF MICHIGAN

DEPARTMENT OF NATURAL RESOURCES
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

REBECCA A. HUMPHRIES
DIRECTOR

May 16, 2006

Mr. Shawn Puzen
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Dear Mr. Puzen:

Subject: UPPCO Project Land Study Scopes to Address Non-Project Use of Project Lands
(FERC Project Nos. 1864, 10854, 2506, 2402, and 10856)

The Michigan Department of Natural Resources (DNR) has reviewed your April 18, 2006 draft Study Scopes to address non-project use of project lands at the above referenced projects and offer the following comments:

It is our understanding that most of these investigations are limited to 1 to 2 days of work by the field crews, probably in June. While the information gathered will certainly contribute to our knowledge of these resources, it should also be recognized that the information gathered during such a brief window of time will not be complete, and in some cases may not be adequate to perform detailed analysis or draw strong conclusions related to impacts that may result from developments on project lands and waters.

Additionally, in the case of wildlife and fish resources, there is an expectation in all of these licenses that habitat will be enhanced over time as a result of compliance with terms and conditions. Therefore, when the surveys are conducted, potential use of these areas by these species must be considered in addition to any existing use. For example, loons may not be nesting or exhibiting territorial behavior when the surveys are conducted, and may not even be present due to water level fluctuations that make successful nesting impossible. However, when all license terms and conditions are complied with in the future, it may be possible to support successful loon nesting (this same situation applies to eagles, ospreys, many fish species, etc.).

Field Methodology

As mentioned at our May 8, 2006 meeting, protocols or procedures for all of the surveys should be provided for agency review and comment. The DNR understand that some adjustments to procedures may be required once the field work begins and we will work with the other resource agencies and tribal staff to identify an individual for E-Pro to contact in the event modifications are needed.

Wildlife and Aquatic Habitat Data Verification and Mapping

Sandhill Crane Fall Staging

In addition to mapping existing and potential Sandhill Crane nesting habitat, fall staging areas should be mapped. Beginning in August, Sandhill Cranes will feed together in the same locations, roost in small flocks at night, and gather in large flocks at staging areas. Staging areas are wetlands usually within a day's flight of nesting marshes that offer food, social interactions, and protection prior to migration. Some of the smaller staging areas may attract a dozen or so birds.

Bald Eagle and Osprey

For bald eagles and ospreys, in addition to existing nest sites and potential future nest sites (super-canopy trees), the investigation should also identify specific shoreline areas and/or trees currently being used by eagles for resting/feeding, as well as areas of high eagle/osprey activity in general.

Areas of Low Road Density

Areas of reservoir shoreline with minimal road access and/or low density of roads should be identified and mapped as these areas may be important to protect for species such as gray wolf, woodland raptors, nesting loons, nesting bald eagles, and others.

Gray Wolf

For the evaluation of wolf habitat, evaluate and map areas with limited or no road access and limited human activity. This evaluation should not be limited to Bond Falls; rather, it should be done at all projects where development is proposed.

Habitat Surveys- Old Growth, Mesic Conifers, and Red Oak

We are concerned that timber survey data will be inadequate to identify project lands for stands that support tree species or stand structural characteristics that are important to many wildlife species, especially stands with old growth characteristics (large trees, snags, multiple canopy layers) and stands that contain mesic conifers (cedar, hemlock, white pine) or red oak. For example, timber surveys typically identify stands as "northern hardwoods", with no indication as to whether the stand contains a hemlock component, the amount/size of hemlock, and/or whether hemlock regeneration is present. The DNR requested this information in order to minimize or avoid impact to these sensitive areas. Please either complete the survey as requested or demonstrate that the existing timber survey data is detailed enough to meet our objectives.

Recreational Resources Investigation

Prickett Stump Evaluation

When evaluating the ecological issues involved with stump removal at Prickett, also include the impacts to birds that use the stump cavities for nesting.

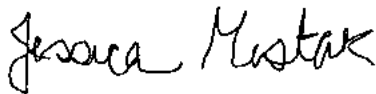
General Comments

Please spell out acronyms the first time they are used.

Please provide the DNR with advance notification of the location and schedule of the field investigations so that we may participate as schedules allow.

If you have any questions about this matter, please contact me at 906-249-1611 ext 308 or mistakjl@michigan.gov. If you wish to contact me in writing, my address is:
Marquette Fisheries Station
Michigan Department of Natural Resources
484 Cherry Creek Rd
Marquette, MI 49855

Sincerely,



Jessica Mistak, Senior Fisheries Biologist

- cc: Robert Evans, USFS
Mike Lanasa, USFS
Kirk Piehler, USFS
Christie Deloria, FWS
Gene Mensch, KBIC
Angie Tormes, NPS
Jim Schramm, MHRC
William Deephouse, MHRC/RAW
Pam Stevenson, AG
Chris Freiburger, DNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 13
18 May 2006
USDA COMMENTS RE: CLARIFICATION DOCUMENT



United States
Department of
Agriculture

Forest
Service

Ottawa National Forest
Watersmeet Ranger District

E24036 Old US 2 East
Watersmeet, MI 49969
(906) 358-4551
(906) 358-4829 (FAX)
(906) 358-0289 (TTY)

File Code: 2770

Date: May 18, 2006

Shawn Puzen
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Dear Mr. Puzen:

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Recreational Resources Investigation

Prickett Stump Evaluation

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Thank you for the opportunity to provide these comments.

If you have any questions about this matter, please contact me at 906-358-4551 (Ext. 23) or raevans@fs.fed.us.

Sincerely,

/s/ Robert A. Evans
ROBERT A. EVANS
Wildlife Biologist

Cc: Theodore W Geier/R9/USDAFS, Mike J Lanasa/R9/USDAFS, Kirk G Pichler/R9/USDAFS, Christie Deloria FWS, Gene Mensch KBIC, Angie Tornes NPS, Jim Schramm MHRC, William Deephouse MHRC/RAW, Pam Stevenson AG, Chris Freilburger MDNR, Jessica Mistak MDNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 14

19 May 2006

RE: DUE DATE FOR COMMENTS ON STUDY PROTOCOLS

Puzen, Shawn C

From: Puzen, Shawn C
Sent: Friday, May 19, 2006 1:39 PM
To: "Angie Tornes" <angie_tornes@nps.gov>; "Chris Freiburger" <freiburg@state.mi.us>; "christie_deloria@fws.gov".GWIA.WPSCDOM; "Kirk G Piehler" <kpiehler@fs.fed.us>; "Mark Fedora" <mfedora@fs.fed.us>; "Mike J Lanasa" <mlanasa@fs.fed.us>; "mistakjl@michigan.gov".GWIA.WPSCDOM; "raevans@fs.fed.us".GWIA.WPSCDOM; <gmensch@kbic-nsn.gov>; <jdschramm@oceana.net>; ddominie@eproconsulting.com; Egtvedt, Gregory; gemond@eproconsulting.com; gustafsc@michigan.gov; Hartman, Kathryn; Heidel, Richard; john.estep@ferc.gov; kgosselin@eproconsulting.com; lesley.kordella@ferc.gov; Moyle, Keith E; Puzen, Shawn; Snyder, Gilbert; Spees, Kerry; Stevenson, Pamela; troutkpr@up.net; Trudeau, Roger; wcampbell@eproconsulting.com
Subject: RE: UPPCO Land Sales Environmental Assessment Study Methods

Hello All-

I made a mistake on my last email regarding the due date of comments on the study protocols. The due date of the comments are actually, end of day May 23, 2006, not end of day May 22, 2006 as I originally indicated.

Sorry for the confusion.

Thanks,

Shawn C. Puzen
 Environmental Consultant
 Wisconsin Public Service Corporation
 (920) 433-1094
 scpuzen@wpsr.com

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-----Original Message-----

From: Christie_Deloria@fws.gov [mailto:Christie_Deloria@fws.gov]
Sent: Friday, May 19, 2006 9:01 AM
To: Puzen, Shawn C
Cc: Egtvedt, Gregory W; mistakjl@michigan.gov; raevans@fs.fed.us
Subject: RE: UPPCO Land Sales Environmental Assessment Study Methods

Thanks for checking further... Could you send a note out to "the group" letting them know of the correct date for comments on the protocols?
 Thanks!

Christie

"Puzen, Shawn C"
 <SCPuzen@wpsr.com
 >

05/19/2006 09:57
 AM

<Christie_Deloria@fws.gov>
 cc
 <raevans@fs.fed.us>,

<mistakjl@michigan.gov>, "Egtvedt,
Gregory W" <GWEgtvedt@wpsr.com>
Subject
RE: UPPCO Land Sales Environmental
Assessment Study Methods

Christie-

I do remember having the discussion about Jessica being out. Therefore, I looked at my notes again. After looking at the final page of notes, the summary at the end of the meeting says "agency comments due end of day May 23, 2006" This refers to the study protocols. I recall we changed it after discussion, and I never changed my original note. You are correct, I am wrong. The comments on the protocols are due the end of day May 23, 2006. Sorry for the confusion, I do not mean to give you any anxiety over the date.

Thanks,

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
sopuzen@wpsr.com

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-----Original Message-----

From: Christie_Deloria@fws.gov [mailto:Christie_Deloria@fws.gov]
Sent: Friday, May 19, 2006 8:48 AM
To: Puzen, Shawn C
Cc: raevans@fs.fed.us; mistakjl@michigan.gov
Subject: RE: UPPCO Land Sales Environmental Assessment Study Methods

Hmmm...my notes say May 23rd ...May 22nd for UPPCO response to Agency regarding SMP guidelines. I specifically remember Jessica asking for another day due to her schedule (she's out until 22nd).

Bob/Jessica what do you have in your notes regarding due date for comments on the protocols?

Christie

Christie Deloria-Sheffield
Fish & Wildlife Biologist

U.S. Fish & Wildlife Service
Upper Peninsula Sub-Office
Ecological Services
1924 Industrial Parkway
Marquette, MI 49855
(906) 226-1240 Telephone
(906) 226-3632 FAX
(906) 360-1811 Mobile

"Puzen, Shawn C"
<SCPuzen@wpsr.com

To

<Christie_Deloria@fws.gov>

05/19/2006 09:11

cc

AM

Subject

RE: UPPCO Land Sales Environmental
Assessment Study Methods

Christie-

I checked my notes and they say "feedback from agencies by end of day May 22, 2006." It was intended to be one week from Monday, May 15, 2006. That was the rationale behind the date.

Thanks,

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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-----Original Message-----

From: Christie_Deloria@fws.gov [mailto:Christie_Deloria@fws.gov]
Sent: Friday, May 19, 2006 8:06 AM
To: Puzen, Shawn C
Subject: Re: UPPCO Land Sales Environmental Assessment Study Methods

I have down that we have until end of day May 23rd for our review of the protocols.....could you double check your calendar? Sometimes one day makes a HUGE difference.

Christie

"Puzen, Shawn C"
<SCPuzen@wpsr.com

>

To

05/16/2006 05:03
PM

<angie_tornes@nps.gov>,
<freiburg@state.mi.us>,
<christie_deloria@fws.gov>,
<kpiehler@fs.fed.us>,
<mfedora@fs.fed.us>,
<mlanasa@fs.fed.us>,
<mistakjl@michigan.gov>,
<raevans@fs.fed.us>,
<gmensch@kbic-nsn.gov>,
<jdschramm@oceana.net>,
<ddominie@eproconsulting.com>,
"Egtvedt, Gregory"
<GEGTVED@wpsr.com>,
<gemond@eproconsulting.com>,
"gustafsc@michigan.gov"
<GUSTAFSC@michigan.gov>, "Hartman,
Kathryn" <KHARTMA@wpsr.com>,
"Heidel, Richard"
<RHEIDEL@wpsr.com>,
<john.estep@ferc.gov>,
<kgosselin@eproconsulting.com>,
<lesley.kordella@ferc.gov>, "Moyle,
Keith E" <KEMoyle@wpsr.com>,
"Puzen, Shawn" <SPUZEN@wpsr.com>,
"Snyder, Gilbert"

<GSNYDER@wpsr.com>, "Spees, Kerry"
<KSPEES@wpsr.com>, "Stevenson,

Pamela"

<stevensonp@michigan.gov>,

<troutkpr@up.net>, "Trudeau, Roger"
<RTRUDEA@wpsr.com>,

<wcampbell@eproconsulting.com>

cc

Subject

UPPCO Land Sales Environmental
Assessment Study Methods

Hello All-

Per our meeting on May 8, 2006, enclosed is a copy of the explanation of study methods as promised. Please provide your comments by the end of the day May 22, 2006. If you do not provide comments by that time, we will assume you do not have any comments.

Please let me know if you have any questions.....

Thanks, <<Habitat study methods 5-16-06.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Puzen, Shawn C

From: Bill Deephouse [troutkpr@up.net]
Sent: Friday, May 19, 2006 11:50 AM
To: Puzen, Shawn C
Cc: Jim Schramm; Gene Mensch; Robert A. Evans; Mark Fedora; Christie Deloria; Jessica Mistak; Angie Tornes; Mike J Lanasa; Kirk G Piehler; Pamela Stevenson; Chris Freiburger
Subject: MHRC Comments of Project Land Study Scopes
Attachments: MHRC Comments on UPPCO Project Land Study Scopes - 2006.doc

Shawn - MHRC comments on UPPCO's proposed Study Scopes are attached.
Bill Deephouse

Michigan Hydro Relicensing Coalition
1210 E. Fifth Avenue
Houghton, Michigan 49931

May 19, 2006

Mr. Shawn Puzen
Environmental Consultant
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, Wisconsin 54307-9001

Re: UPPCO Project Land Study Scopes to Address Non-Project Use of Project Lands
(FERC Project Nos. 1864, 10854, 2506, 2402 and 10856)

Dear Mr. Puzen:

The Michigan Hydro Relicensing Coalition (MHRC) has reviewed your April 18, 2006 draft Study Scopes to address non-project lands at the above referenced projects and offer the following comments:

The MHRC agrees with the recommendations and comments of both the Michigan DNR and USDA – Forest Service regarding the **Wildlife and Aquatic Habitat Data Verification and Mapping** and the **Recreational Resources Investigation** and won't reiterate them here again. However, we would like to make additional comments and requests concerning the proposal for Prickett Dam stump removal.

Prickett Stump Evaluation

The precise area(s) being considered for removal of stumps and submerged trees should be indicated on a map of this 773 acre reservoir. It would also be of interest to know how many are being targeted for removal. How close to the bottom do you anticipate cutting the standing, submerged trees and how do you plan to accomplish this? Methodology that would be used is important to know. We would also like to understand how UPPCO/WPS thinks that this is not going to negatively impact fish habitat and other aquatic communities. Recent MDNR surveys (1996 and 1999) indicate that the fishery is in good shape. It has a variety of coolwater species with plenty of large-sized individuals. Walleye, largemouth bass and northern pike are the primary predators with a nice panfish population as well. The fish community does not appear to be in need of any habitat "improvement" at this time.

Have you considered any alternatives to the proposed stump removal plan, which would allow for safe navigation?

Thank you for this opportunity to comment. If you need additional clarification or have questions regarding our comments, please don't hesitate to contact me.

Sincerely,

William L. Deephouse
906-482-6607
troutkpr@up.net

CC: James Schramm, MHRC
Gene Mensch, KBIC
Robert Evans, USFS
Mark Fedora, USFS
Christie Deloria, USFWS
Jessica Mistak, MDNR
Angie Tornes, NPS
Mike Lanasa, USFS
Kirk Piehler, USFS
Pam Stevenson, AG
Chris Freiburger, MDNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 15
19 May 2006
NPS COMMENTS ON PROJECT LANDS STUDY SCOPES



United States Department of the Interior

NATIONAL PARK SERVICE

Midwest Regional Office/ Wisconsin Field Office

Rivers and Trails Program

626 E. Wisconsin Avenue, Suite 100

Milwaukee, WI 53202

May 19, 2006

Mr. Shawn Puzen
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Subject: UPPCO Project Land Study Scopes to Address Non-Project Use of Project Lands (FERC
Project Nos. 1864, 10854, 2506, 2402, and 10856)

Dear Mr. Puzen:

The National Park Service has reviewed your April 18, 2006 draft "Study Scopes to Address Non-Project Use of Project Lands" for the aforementioned hydropower projects. You requested specific comments on how proposed surveys, mapping and other data collection for wildlife, aquatic, and recreation resources be carried out. We offer the following comments:

Recreational Resources Investigation

It is our understanding that most of these investigations, conducted by field crews, will be limited to 1 to 2 days, most likely in June. Information gathered during such a brief period of time will be helpful but not complete; in some cases it may be insufficient to adequately perform detailed analysis or draw valid conclusions related to the proposed development's impacts on project lands and waters. In order to improve decisions regarding recreation, we recommend conducting recreational use interviews of paddlers familiar with use of the impoundments as well as outfitters located in the general area. This information should be paired with national trends in paddle sports. .

Proposed protocols or procedures for all surveys should be provided for agency review and comment. In addition, please share with the agencies the proposed desktop analysis to determine recreational boating carrying capacity at each of the impoundments. It will be important to decide which type of boating craft to use in this assessment.

When evaluating the ecological issues involved with stump removal at Prickett impoundment, we recommend you also include the impacts to birds that use the stump cavities for nesting.

Please keep me informed about schedules and locations of the recreation survey so paddlers may assist, if possible.

Thank you for your consideration of these important details. Please feel free to call me at 414.297.3605 should you have any questions.

Sincerely,

/s/

Angela M. Tornes
Midwest Hydropower Coordinator

Cc:

Robert Evans, USFS
Mike Lanasa, USFS
Kirk Piehler, USFS
Christie Deloria, FWS
Jessica Mistak, MDNR
Chris Freiburger, MDNR
Gene Mensch, KBIC
Jim Schramm, MHRC
Bill Deephouse, MHRC/RAW
Pam Stevenson, AG

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 16
19 May 2006
USDA COMMENTS ON PROJECT LANDS STUDY SCOPES



United States
Department of
Agriculture

Forest
Service

Hiawatha National Forest
Supervisor's Office

2727 N. Lincoln Rd
Escanaba, MI 49829
906-786-4062

File Code: 2770/2600/2300

Date: May 19, 2006

Mr. Shawn Puzen
Environmental Consultant
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Dear Mr. Puzen:

Per your request, the USDA Forest Service (USFS), Hiawatha National Forest has reviewed your April 18, 2006 Draft Study Scopes to address non-project use of project lands at the subject locations, with specific attention to FERC Project No. 10856, Au Train Basin. At the May 8th, 2006 meeting in Crystal Falls, Michigan, you requested that the resource agencies provide specific comments on how proposed surveys, mapping and other assessment and data collection techniques for wildlife, aquatic, and recreation resources could be implemented.

The following comments are provided as a natural resource agency participating, along with other natural resource agencies, within the context of the Federal Energy Regulatory Commission (FERC) process that the Upper Peninsula Power Company (UPPCO) is following for non-project use of project lands. They are based upon our experience and knowledge, and that of the other participating agencies, in assessing the effects of land management activities on natural resources within our area.

Recreation Resources Investigations

The Recreational Resources Study Scope for all licensed impoundments limits the investigation area for mapping formal and informal facilities and trails to lands and waters within the FERC project boundaries. At Au Train Basin, we request the scope capture the unique recreational setting that exists at the facility. The south end of the Au Train Basin is located at the divide between the Lake Superior and Lake Michigan watersheds. To the south of the divide are the headwaters of the East Branch of the Whitefish Wild and Scenic River. We are aware of some limited use by canoeists who want to trace the historic water trail from Lake Superior to Lake Michigan. This necessitates a portage around the power house, the falls, and the dam to get into the basin from the Au Train River, as well as a portage around the south dike to get into the headwaters of the Whitefish River. Additionally, the historic Grand Island Bay De Noc hiking trail is located very close to UPPCO lands in Township 45 Range 20 Section 30. We request that the scope of the study be sufficient to determine whether these recreational opportunities will continue to be viable in the future.

Wildlife and Aquatic Habitat Data Verification and Mapping

The Wildlife and Aquatic Habitat Data Verification and Mapping Study Scope mentions that the Agencies, "...identified a number of significant or important habitat types and components (for various life stage usage and support), and various species of interest that should be identified and protected." However, there is no mention of identifying or implementing mitigation measures as objectives of the study scopes. We request that these objectives be included. These may, in part,



be covered in the development of the "natural resources constraint maps". If this is the case, it should be clarified in this section of the study scope.

Protocols for all of the surveys should be provided. Perhaps this is similar to the Investigation Procedures document previously mentioned. However, for the purpose of clarity, survey protocols should all be included as part of the Scope of Services document. We understand that some adjustments to procedures may be required once the work starts, and we will identify a point of contact for E-Pro at Au Train that may document the new procedures.

It should be recognized that information gathered during a brief window, while contributing to the knowledge of these resources, will not be complete, and may not be adequate to perform detailed analysis. It may also be insufficient to draw strong conclusions related to impacts that may result to resources from developments on project lands and waters.

In the case of wildlife and fish resources, there is an expectation in all of the licenses that habitat will be enhanced over time as a result of compliance with terms and conditions. For example, loons may not be nesting or exhibiting territorial behavior when the surveys are conducted, and may not be present due to water level fluctuations that make successful nesting impossible. However, when all license terms and conditions are successfully achieved in the future, it may be possible to support successful loon nesting (this same situation applies to eagles, ospreys, many fish species, etc.). Therefore, when the surveys are conducted, potential use of these areas by these species should be evaluated in addition to any existing use.

For bald eagles and ospreys, in addition to existing nest sites and potential future nest sites (super-canopy trees), we recommend that the investigation also identify specific shoreline areas and trees currently being used by eagles for resting and feeding, as well as areas of high eagle and osprey activity in general.

At Au Train Basin, and other locations where existing and potential raptor habitat mapping have been requested, we want to emphasize the importance of utilizing the protocols for detecting nests and nesting territories provided by the USFS. The methods for using recorded calls for species such as northern goshawk and red-shouldered hawk have produced consistent results across the Forest and are standards for in-house and contract surveys on the Hiawatha National Forest. Both species exist at relatively low abundance, a condition which makes them difficult to detect with other methods that do not employ recorded calls.

In addition to mapping existing and potential Sandhill Crane nesting habitat, fall staging areas should be mapped. Beginning in August, Sandhill Cranes will feed together in the same locations, roost in small flocks at night, and gather in large flocks at staging areas. Staging areas are wetlands usually within a day's flight of nesting marshes that offer food, social interactions, and protection prior to migration.

You have suggested that existing UPPCO timber inventory data will be provided, and will be adequate to meet the need for this information. We are concerned that timber survey data may be inadequate to identify project lands for stands that support tree species or stand structural characteristics that are important to many wildlife species, especially stands with old growth characteristics (large trees, down wood, snags, multiple canopy layers) and stands that contain mesic conifers (cedar, hemlock, white pine) or red oak. For example, timber surveys typically

identify stands as "northern hardwoods" of a certain average diameter, with no indication as to whether the stand contains a hemlock component, the amount and size of hemlock, and whether hemlock regeneration is present. Few or no timber surveys that we are familiar with provide specific data on number of snags, very large trees, coarse woody debris, and occurrence of minor but important species (e.g. red oak, hemlock, cedar). We believe that this higher level of detail may be necessary in order for us to adequately evaluate potential impacts of development activities on old-growth forests on project lands.

For the evaluation of wolf habitat, we recommend that you evaluate and map all existing roads accessing project lands, so that areas with limited or no road access and limited human activity can be identified. This evaluation should not be limited to Bond Falls; rather, it should be done at all projects where development is proposed.

We recommend that all existing roads accessing the reservoir shoreline area be identified and mapped and road densities calculated so that areas on project land that have limited road access can be identified and mapped. These areas may be important to protect for species such as gray wolf, woodland raptors, nesting loons, nesting bald eagles, and others.

The USFS supports the original request to perform these surveys using the transect methodology recommended by the Michigan Department of Natural Resources (MDNR). Fisheries biologists from MDNR use this method for aquatic resource inventory and mapping, and feel it is necessary to obtain this type of data in order for them to be able to fully evaluate the impacts of development proposals on aquatic habitat.

Although lake sturgeon habitat may be outside of the project boundary, we recommend that it be identified on a map so that any potential impacts from proposed development can be identified.

Rare Species, Nuisance Plants

Your study clarification document states that you will not survey for rare, threatened, sensitive and special concern species until site-specific development proposals are known. It would seem to make more sense to conduct these surveys now, in order to know in advance where development should not occur. However, surveys can be completed later, as long as you are prepared to conduct them at some time prior to any development occurring, and recognize that modifications to development plans may be needed to protect these unique resources.

The study clarification document also states that nuisance plants are monitored periodically and therefore it is unnecessary to survey for them now. Currently, only aquatic nuisance plants such as Eurasian watermilfoil and purple loosestrife are monitored. Development activities can cause the spread of nuisance and invasive terrestrial plants as well. We recommend that you conduct surveys of project lands in advance of development to identify infestations of terrestrial invasives such as spotted knapweed, garlic mustard, Japanese barberry, glossy buckthorn, common buckthorn. This course of action may result in the selection of the appropriate best management practices if and when activities within the project boundary are proposed.

Adjacent Land Ownership

The Hiawatha National Forest manages lands adjoining the private lands along the east side of the Au Train Basin. We assume that the proposed development of the lands around the basin will require an increase or upgrades to the existing access roads that cross National Forest lands. We

are not able to speculate on the response or outcome of requests for access that may occur in the future. We have an interest in information regarding the extent of development and the related need for access. We request that the scope of the study be sufficient to determine the magnitude of access anticipated. If this information already exists, we request that it be provided to the Forest Supervisor.

General Comments

It is our understanding that most of the resource investigations are limited to 1 to 2 days of work by the field crews, probably in June. While the information gathered will certainly contribute to our knowledge of these resources, it should also be recognized that the information gathered during such a brief window of time will not be complete, and in some cases may not be adequate to perform detailed analysis or draw strong conclusions related to impacts that may result from developments on project lands and waters. A more comprehensive study, involving visits to the flowages at various times throughout the field season (i.e. spring through fall) would provide much more information and allow for a better and more informative analysis.

It should be noted that spawning for many of the game fish species (smallmouth bass, walleye, yellow perch, bluegill, and northern pike) will have occurred long before the aquatic surveys take place in June, and it is possible that certain locations may actually no longer be inundated by water in June depending on reservoir elevation. We request this be taken into account by the surveyors when assessing availability of fish spawning habitat.


As mentioned at during the May 8, 2006 meeting and conference call, protocols or procedures for all of the surveys should be provided for agency review and comment. The USFS understands that some adjustments to procedurcs may be required once the field work begins and we will work with the other resource agencies and tribal staff to identify an individual for E-Pro to contact in the event modifications are needed. Advance notification of the location and schedule of the field investigations.

The Hiawatha National Forest appreciated the opportunity to review the study scopes and provide comments. If you have questions, please contact me at 906-789-3374 or kpiehler@fs.fed.us.

Sincerely,

/s/ Kirk G. Piehler
KIRK G. PIEHLER
Wildlife Biologist

cc: Teresa Chase
Matthew G Cole
Kirk G Piehler



Lucas Langstaff
Mike J Lanasa
Ted Schiltz
William Bowman
Lee Ann Loupe



Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 17

19 May 2006

USFWS COMMENTS ON PROJECT LANDS STUDY SCOPES



United States Department of the Interior

Fish and Wildlife Service

Upper Peninsula Sub-office
Ecological Services
1924 Industrial Parkway
Marquette, MI 49855



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May 19, 2006

Shawn Puzen
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

RE: Comments on resource mapping and inventorying study scopes for non-project use of project lands (FERC Project Numbers 1864, 10854, 2506, 2402, and 10856)

Deleted: UPPCO

Dear Mr. Puzen:

We have reviewed your April 18, 2006 Draft Study Scopes and the May 15, 2006 study clarification document. We understand that the study scopes will be used to map and assess important natural resource features on several Federal Energy Regulatory Commission (FERC) regulated hydroelectric basins (FERC Project Nos. 1864, 10854, 2506, 1402, and 10856). The collected data will be important in helping make informed decisions about the appropriate types and locations of non-project related shoreline development.

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Deleted: Our comments are provided as a natural resource agency participating within the context of the FERC process that Upper Peninsula Power Company is following for non-project use of project lands.

At our May 8, 2006 meeting in Crystal Falls, Michigan, you requested that the resource agencies provide specific comments on how proposed surveying and mapping techniques for wildlife, aquatic, and recreation resources could be carried out. Based on that request, we offer the following suggestions for improving the quality of the data to be collected.

General Comments

We understand that most of these investigations will include 1 or 2 days of field work in June. While the information gathered will certainly contribute to our knowledge of natural resources at these basins, please recognize that the information gathered during such a brief period of time will not be complete. In some cases the data may not be adequate to perform detailed analysis or draw strong conclusions. A more comprehensive study, involving visits to the basins at various times throughout the field season (spring through fall, at least) would provide much more information and allow for a better and more informative analysis.

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Spawning for many of the game fish species (walleye, perch, northern pike) will have occurred before the aquatic surveys take place in June. It is possible that many of these

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locations may actually no longer be inundated by water in June depending on reservoir elevation. This is likely the situation at the Bond Falls basin. This should be taken into account by the surveyors when assessing availability of fish spawning habitat.

Additionally, in the case of wildlife and fish resources, there is an expectation that habitat will be enhanced over time as a result of implementing various license conditions. For example, nesting or territorial loons may not be identified during the June 2006 survey period. Ideal nesting habitat may not be present currently at some basins due to water level fluctuations that make successful nesting impossible. When all license terms and conditions are met, however, adequate loon nesting habitat may exist or could be provided via loon nesting platforms. Therefore, when the surveys are conducted, potential future use of the basins by loons, eagles, ospreys, and fish species should be evaluated in addition to any existing use.

Wildlife and Aquatic Habitat Data Verification and Mapping

Sandhill Crane Fall Staging

In addition to mapping existing and potential sandhill crane nesting habitat, fall staging areas should be mapped. Beginning in August, sandhill cranes will feed together in the same locations, roost in small flocks at night, and gather in large flocks at staging areas. Staging areas are wetlands usually within a day's flight of nesting marshes that offer food, social interactions, and protection prior to migration. Some of the smaller staging areas may attract a dozen or so birds.

Bald Eagle and Osprey

For bald eagles and ospreys, in addition to existing nest sites and potential future nest sites (super-canopy trees), we recommend that the investigation also identify specific shoreline areas or trees currently being used by eagles for resting or feeding, as well as areas of high eagle or osprey activity in general.

Gray Wolf

For the evaluation of wolf habitat, we recommend that you evaluate and map all existing roads accessing project lands, so that areas with limited or no road access and limited human activity can be identified. This evaluation should not be limited to Bond Falls, rather, it should be done at all projects where development is proposed.

Areas of low road density may also be important for woodland raptors, nesting loons, and nesting bald eagles.

Raptors

At Au Train Basin, and other locations where existing and potential raptor habitat mapping have been requested, we want to emphasize the importance of utilizing the protocols for detecting nests and nesting territories provided by the US Forest Service (USFS). The methods for using recorded calls for species such as northern goshawk and red-shouldered hawk have produced consistent results and are standards used by Hiawatha National Forest. Both species exist at relatively low abundance, a condition

which makes them very difficult to detect with other methods that do not employ recorded calls during the recommended survey period of mid-April through mid-June.

Habitat Surveys - Old Growth, Mesic Conifers, and Red Oak

According to the clarification, existing timber inventory data will be utilized to identify areas that contain old growth, mesic conifer, or red oak. We are concerned that timber survey data may be inadequate to identify all tree species present or identify structural characteristics that are important to many wildlife species. Timber surveys do not generally provide specific data on number of snags, very large trees, coarse woody debris, and occurrence of minor but important species (i.e. red oak, hemlock, cedar). We believe that this level of detail may be necessary in order to adequately evaluate potential impacts of development activities on old-growth forest and other rare forest types.

Lake Sturgeon Habitat

Although lake sturgeon habitat may be outside of the project boundary at Prickett, we recommend that the habitat should be identified on a map so that any potential impacts from proposed development can be identified.

Aquatic Habitat Protection

The Service supports the original request to perform these surveys using the transect methodology recommended by Michigan Department of Natural Resources (MDNR). Fisheries biologists with the MDNR use this method for aquatic resource inventory and mapping. This type of data is needed to fully evaluate the impacts of development of project lands on aquatic habitat.

Recreational Resources Investigation

Prickett Stump Evaluation

When evaluating the ecological issues involved with stump removal at Prickett, we recommend you also include the impacts to birds that use the stump for nesting or feeding.

Other Comments

Rare Species

Your study clarification document states that you will not survey for species that the MDNR considers to be rare, threatened, endangered or special concern species until site-specific development proposals are known. We strongly suggest that these surveys should be done prior to completion of site-specific development plans. However, surveys could be done later recognizing that modifications to development plans may be needed to protect these unique resources.

Nuisance Plants

The study clarification document also states that nuisance plants are monitored periodically and therefore, it is unnecessary to conduct further surveys of nuisance plants. Currently, only aquatic nuisance plants such as Eurasian watermilfoil and purple loosestrife are monitored. Development of project lands with docks and trails could cause the spread of nuisance terrestrial plants as well. We recommend that you conduct

surveys of project lands in advance of development to identify infestations of terrestrial invasives such as spotted knapweed, garlic mustard, Japanese barberry, glossy buckthorn, or common buckthorn. Then the proper best management practices can be employed when activities within the project boundary are proposed.

Please inform your contractors of the Eurasian watermilfoil infestation at Prickett. Boats must be cleaned and inspected before being transported to another waterbody.

Please spell out acronyms the first time they are used. There is a typographical error on page 2 of the recreational investigation; east and west projects are mixed up.

Please provide the Service with advance notification of the location and schedule of the field investigations so that we may participate as schedules allow.

Thank you for the opportunity to provide these comments. If you have any questions about this matter, please contact me at 906-226-1240 or christie_deloria@fws.gov.

Sincerely,

/s/ Christie Deloria-Sheffield

Christie Deloria-Sheffield
Fish & Wildlife Biologist

Cc: Jessica Mistak, MDNR Fisheries, Marquette
Robert Evans, USFS, Ottawa National Forest, Watersmeet
Gene Mensch, Keweenaw Bay Indian Community, L'Anse
Bill Deephouse, Michigan Hydro Relicensing Coalition, Houghton
Angie Tornes, NPS, Milwaukee
Kirk Pichler, USFS, Hiawatha National Forest, Escanaba

<s:\admin\archives\may06\FWS\studies\scopecomments51906.cml.doc>

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- Deleted:raig A. Czarniecki

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Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 18

19 May 2006

**MICHIGAN HYDRO RELICENSING COALITION COMMENTS
ON PROJECT LANDS STUDY SCOPES**

Michigan Hydro Relicensing Coalition
1210 E. Fifth Avenue
Houghton, Michigan 49931

May 19, 2006

Mr. Shawn Puzen
Environmental Consultant
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, Wisconsin 54307-9001

Re: UPPCO Project Land Study Scopes to Address Non-Project Use of Project Lands
(FERC Project Nos. 1864, 10854, 2506, 2402 and 10856)

Dear Mr. Puzen:

The Michigan Hydro Relicensing Coalition (MHRC) has reviewed your April 18, 2006 draft Study Scopes to address non-project lands at the above referenced projects and offer the following comments:

The MHRC agrees with the recommendations and comments of both the Michigan DNR and USDA – Forest Service regarding the **Wildlife and Aquatic Habitat Data Verification and Mapping** and the **Recreational Resources Investigation** and won't reiterate them here again. However, we would like to make additional comments and requests concerning the proposal for Prickett Dam stump removal.

Prickett Stump Evaluation

The precise area(s) being considered for removal of stumps and submerged trees should be indicated on a map of this 773 acre reservoir. It would also be of interest to know how many are being targeted for removal. How close to the bottom do you anticipate cutting the standing, submerged trees and how do you plan to accomplish this? Methodology that would be used is important to know. We would also like to understand how UPPCO/WPS thinks that this is not going to negatively impact fish habitat and other aquatic communities. Recent MDNR surveys (1996 and 1999) indicate that the fishery is in good shape. It has a variety of coolwater species with plenty of large-sized individuals. Walleye, largemouth bass and northern pike are the primary predators with a nice panfish population as well. The fish community does not appear to be in need of any habitat "improvement" at this time.

Have you considered any alternatives to the proposed stump removal plan, which would allow for safe navigation?

Thank you for this opportunity to comment. If you need additional clarification or have questions regarding our comments, please don't hesitate to contact me.

Sincerely,

William L. Dcephouse
906-482-6607
troutkpr@up.net

CC: James Schramm, MHRC
Gene Mensch, KBIC
Robert Evans, USFS
Mark Fedora, USFS
Christie Deloria, USFWS
Jessica Mistak, MDNR
Angie Tornes, NPS
Mike Lanasa, USFS
Kirk Piehler, USFS
Pam Stevenson, AG
Chris Freiburger, MDNR

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 19

23 May 2006

**MICHIGAN DNR COMMENTS ON DRAFT STUDY
RE: ENVIRONMENTAL ASSESSMENT STUDY METHODS**

Puzen, Shawn C

From: Jessica Mistak [mistakjl@michigan.gov]
Sent: Tuesday, May 23, 2006 12:33 PM
To: ddominie@eproconsulting.com; gemond@eproconsulting.com; kgosselin@eproconsulting.com; wcampbell@eproconsulting.com; john.estep@ferc.gov; lesley.kordella@ferc.gov; kpiehler@fs.fed.us; mfedora@fs.fed.us; mlanasa@fs.fed.us; raevans@fs.fed.us; christie_deloria@fws.gov; gmensch@kbic-nsn.gov; Chris Freiburger; Cary Gustafson; Pamela Stevenson; angie_tomes@nps.gov; jdschramm@oceana.net; troutkpr@up.net; Egtvedt, Gregory W; Snyder, Gil E; Moyle, Keith E; Hartman, Kathryn A; Spees, Kerry A; Heidel, Richard R; Trudeau, Roger J; Puzen, Shawn C; Puzen, Shawn C
Subject: Re: UPPCO Land Sales Environmental Assessment Study Methods

Shawn,
Michigan DNR has reviewed UPPCO's General Field Study Methods for Wildlife and Aquatic Habitat Mapping and would like to provide the following comments:

WOODLAND RAPTORS

-The methodology provided to document occurrences of woodland raptors is not sufficient. Woodland raptor species are difficult to locate because they are secretive, occur at low densities, inhabit large forests and are wide ranging- all of which makes them difficult to detect with methods (such as general breeding bird census) that do not employ recorded calls. The U.S. Forest Service methods for using recorded calls to locate species such as northern goshawk and red-shouldered hawk have produced consistent results and are standard for in-house and contract surveys. We again recommend the use of U.S. Forest Service protocols for detecting woodland raptor nests and nesting territories.

-Please define the key woodland raptor species that will be surveyed. We recommend that the woodland raptor survey include goshawk, red-shouldered hawk, Cooper's hawk, barred owl, and broad-winged hawk.

-Woodland raptor surveys should be conducted between 1/2 hour before sunrise to approximately 4 hours after sunrise.

-Woodland raptor surveys should be conducted when weather is suitable (not on windy or rainy days).

-Woodland raptor suitable nesting habitat should be mapped utilizing a similar approach to what was discussed under waterfowl, wood turtle, Greater sandhill crane, and trumpeter swan.

Lastly, we did this review in an expedited manner; however, please recognize that this should be considered an exception and not the rule. It is in everyone's best interest to ensure that there is adequate time for review and comments.

Sincerely,
Jessica Mistak

<>< <>< <>< <>< <>< <>< <>< <><
Jessica Mistak, Senior Fisheries Biologist
DNR Marquette Fisheries Station
484 Cherry Creek Rd
Marquette, MI 49855

906-249-1611 ext. 308

FAX 906-249-3190

><> ><> ><> ><> ><> ><> ><> ><>

>>> "Puzen, Shawn C" <SCPuzen@wpsr.com> 05/16/2006 5:03 PM >>>

Hello All-

Per our meeting on May 8, 2006, enclosed is a copy of the explanation of study methods as promised. Please provide your comments by the end of the day May 22, 2006. If you do not provide comments by that time, we will assume you do not have any comments.

Please let me know if you have any questions.....

Thanks, <<Habitat study methods 5-16-06.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Puzen, Shawn C

From: Sherrill Gravelle [sgravelle@fs.fed.us]
Sent: Monday, May 22, 2006 12:26 PM
To: Puzen, Shawn C
Subject: RE: 2770/2600/2300; UPPCO Project Land Study Scopes Regarding Non-Project Use of Project Lands (FERC Project Nos. 1864, 10854, 2506, 2402, and 10856)

Attachments: llk.doc



llk.doc (99 KB)

OK - I had an error in your email address and had to resend - the attachment must have somehow gotten dropped. Sorry about that, and thank you for letting me know. It should be attached now.

(See attached file: llk.doc)

Sherrill L. Gravelle
Support Services Specialist
sgravelle@fs.fed.us
Hiawatha National Forest
Sault Ste. Marie & St. Ignace Ranger Districts 906-635-5311, ext. 10
906-635-9154 (fax)

"Puzen, Shawn C"
<SCPuzen@wpsr.com>
>

05/19/2006 04:01
PM

"Sherrill Gravelle"
<sgravelle@fs.fed.us>

To

cc

Subject

RE: 2770/2600/2300; UPPCO Project
Land Study Scopes Regarding
Non-Project Use of Project Lands
(FERC Project Nos. 1864, 10854,
2506, 2402, and 10856)

I received an email from you today, but as you see below, there was nothing included in the body of the email.

Thanks,

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

Puzen, Shawn C

From: Robert A Evans [raevans@fs.fed.us]
Sent: Tuesday, May 23, 2006 1:08 PM
To: Jessica Mistak
Cc: angie_tornes@nps.gov; christie_deloria@fws.gov; ddominie@eproconsulting.com; Chris Freiburger; Egtvedt, Gregory W; gemond@eproconsulting.com; gmensch@kbic-nsn.gov; Snyder, Gil E; Cary Gustafson; jdschramm@oceana.net; john.estep@ferc.gov; Moyle, Keith E; kgosselin@eproconsulting.com; Hartman, Kathryn A; kpiehler@fs.fed.us; Spees, Kerry A; lesley.kordella@ferc.gov; mfedora@fs.fed.us; mlanasa@fs.fed.us; Heidel, Richard R; Trudeau, Roger J; Puzen, Shawn C; Pamela Stevenson; troutkpr@up.net; wcampbell@eproconsulting.com
Subject: Re: UPPCO Land Sales Environmental Assessment Study Methods

Shawn - the USFS, Ottawa National Forest, concurs with all of the comments provided by Jessica below. Thank you for the opportunity to provide comments. Bob

Robert A. Evans
 Wildlife Biologist
 Ottawa National Forest
 raevans@fs.fed.us
 906-358-4551, ext. 23

"Jessica Mistak"
 <mistakjl@michigan.gov>

05/23/2006 12:32 PM

To
 <ddominie@eproconsulting.com>,
 <gemond@eproconsulting.com>,
 <kgosselin@eproconsulting.com>,
 <wcampbell@eproconsulting.com>,
 <john.estep@ferc.gov>,
 <lesley.kordella@ferc.gov>,
 <kpiehler@fs.fed.us>,
 <mfedora@fs.fed.us>,
 <mlanasa@fs.fed.us>,
 <raevans@fs.fed.us>,
 <christie_deloria@fws.gov>,
 <gmensch@kbic-nsn.gov>, "Chris Freiburger"
 <FREIBURG@michigan.gov>, "Cary Gustafson" <GUSTAFSC@michigan.gov>,
 "Pamela Stevenson"
 <StevensonP@michigan.gov>,
 <angie_tornes@nps.gov>,
 <jdschramm@oceana.net>,
 <troutkpr@up.net>, "Gregory Egtvedt" <GEGTVED@wpsr.com>,
 "Gilbert Snyder"
 <GSNYDER@wpsr.com>, "Keith E Moyle" <KEMoyle@wpsr.com>, "Kathryn Hartman" <KHARTMA@wpsr.com>, "Kerry Spees" <KSPEES@wpsr.com>, "Richard Heidel" <RHEIDEL@wpsr.com>, "Roger Trudeau" <RTRUDEA@wpsr.com>, "Shawn Puzen" <SCPuzen@wpsr.com>, "Shawn Puzen" <SPUZEN@wpsr.com>

cc

Subject
Re: UPPCO Land Sales Environmental
Assessment Study Methods

Shawn,
Michigan DNR has reviewed UPPCO's General Field Study Methods for Wildlife and Aquatic Habitat Mapping and would like to provide the following comments:

WOODLAND RAPTORS

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The U.S. Forest Service methods for using recorded calls to locate species such as northern goshawk and red-shouldered hawk have produced consistent results and are standard for in-house and contract surveys. We again recommend the use of U.S. Forest Service protocols for detecting woodland raptor nests and nesting territories.

-Please define the key woodland raptor species that will be surveyed. We recommend that the woodland raptor survey include goshawk, red-shouldered hawk, Cooper's hawk, barred owl, and broad-winged hawk.

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Lastly, we did this review in an expedited manner; however, please recognize that this should be considered an exception and not the rule. It is in everyone's best interest to ensure that there is adequate time for review and comments.

Sincerely,
Jessica Mistak

<>< <>< <>< <>< <>< <>< <>< <><
Jessica Mistak, Senior Fisheries Biologist DNR Marquette Fisheries Station
484 Cherry Creek Rd
Marquette, MI 49855
906-249-1611 ext. 308
FAX 906-249-3190
>>> >>> >>> >>> >>> >>> >>> >>>

>>> "Puzen, Shawn C" <SCPuzen@wpsr.com> 05/16/2006 5:03 PM >>>

Hello All-

Per our meeting on May 8, 2006, enclosed is a copy of the explanation of study methods as promised. Please provide your comments by the end of the day May 22, 2006. If you do not provide comments by that time, we will assume you do not have any comments.

Please let me know if you have any questions....

Thanks, <<Habitat study methods 5-16-06.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Puzen, Shawn C

From: Christie_Deloria@fws.gov
Sent: Tuesday, May 23, 2006 1:20 PM
To: Jessica Mistak
Cc: angie_tornes@nps.gov; ddominie@eproconsulting.com; Chris Freiburger; Egtvedt, Gregory W; gemond@eproconsulting.com; gmensch@kbic-nsn.gov; Snyder, Gil E; Cary Gustafson; jdschramm@oceana.net; john.estep@ferc.gov; Moyle, Keith E; kgosselin@eproconsulting.com; Hartman, Kathryn A; kplehler@fs.fed.us; Spees, Kerry A; lesley.kordella@ferc.gov; mfedora@fs.fed.us; mlanasa@fs.fed.us; raevans@fs.fed.us; Heidel, Richard R; Trudeau, Roger J; Puzen, Shawn C; Puzen, Shawn C; Pamela Stevenson; troutkpr@up.net; wcampbell@eproconsulting.com
Subject: Re: UPPCO Land Sales Environmental Assessment Study Methods

Shawn - The USFWS agrees with the MDNR comments provided below.

Christie

Christie Deloria-Sheffield
Fish & Wildlife Biologist

U.S. Fish & Wildlife Service
Upper Peninsula Sub-Office
Ecological Services
1924 Industrial Parkway
Marquette, MI 49855
(906) 226-1240 Telephone
(906) 226-3632 FAX
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"Jessica Mistak"
<mistakjl@michigan.gov>

05/23/2006 01:32 PM

To
 <ddominie@eproconsulting.com>,
 <gemond@eproconsulting.com>,
 <kgosselin@eproconsulting.com>,
 <wcampbell@eproconsulting.com>,
 <john.estep@ferc.gov>,
 <lesley.kordella@ferc.gov>,
 <kplehler@fs.fed.us>,
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 "Richard Heidel" <RHEIDEL@wpsr.com>, "Roger

Trudeau" <RTRUDEA@wpsr.com>, "Shawn
Puzen" <SCPuzen@wpsr.com>, "Shawn
Puzen" <SPUZEN@wpsr.com>

cc

Subject

Re: UPPCO Land Sales Environmental
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Jessica Mistak

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Jessica Mistak, Senior Fisheries Biologist DNR Marquette Fisheries Station
484 Cherry Creek Rd
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FAX 906-249-3190
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>>> "Puzen, Shawn C" <SCPuzen@wpsr.com> 05/16/2006 5:03 PM >>>

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Please let me know if you have any questions....

Thanks, <<Habitat study methods 5-16-06.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Puzen, Shawn C

From: Kirk G Piehler [kpiehler@fs.fed.us]
Sent: Wednesday, May 24, 2006 8:13 AM
To: Puzen, Shawn C
Cc: angie_tornes@nps.gov; christie_deloria@fws.gov; Robert A Evans; Jessica Mistak
Subject: UPPCO - Study Methods/Protocols

Shawn,

The Hiawatha National Forest, concurs with the comments provided by Jessica Mistak (attached).

(Document link: Database 'Kirk G Piehler', View 'Inbox', Document 'Re: UPPCO Land Sales Environmental Assessment Study Methods')

Kirk Piehler
Wildlife Biologist
Hiawatha National Forest
2727 N. Lincoln Road
Escanaba, MI 49829

kpiehler@fs.fed.us
(906) 789-3374 ext. 374
FAX: (906) 789-3311



United States
Department of
Agriculture

Forest
Service

Hiawatha National Forest
Supervisor's Office

2727 N. Lincoln Rd
Escanaba, MI 49829
906-786-4062

File Code: 2770/2600/2300
Date: May 19, 2006

Mr. Shawn Puzen
Environmental Consultant
Upper Peninsula Power Company
P.O. Box 19001
Green Bay, WI 54307-9002

Dear Mr. Puzen:

Per your request, the USDA Forest Service (USFS), Hiawatha National Forest has reviewed your April 18, 2006 Draft Study Scopes to address non-project use of project lands at the subject locations, with specific attention to FERC Project No. 10856, Au Train Basin. At the May 8th, 2006 meeting in Crystal Falls, Michigan, you requested that the resource agencies provide specific comments on how proposed surveys, mapping and other assessment and data collection techniques for wildlife, aquatic, and recreation resources could be implemented.

The following comments are provided as a natural resource agency participating, along with other natural resource agencies, within the context of the Federal Energy Regulatory Commission (FERC) process that the Upper Peninsula Power Company (UPPCO) is following for non-project use of project lands. They are based upon our experience and knowledge, and that of the other participating agencies, in assessing the effects of land management activities on natural resources within our area.

Recreation Resources Investigations

The Recreational Resources Study Scope for all licensed impoundments limits the investigation area for mapping formal and informal facilities and trails to lands and waters within the FERC project boundaries. At Au Train Basin, we request the scope capture the unique recreational setting that exists at the facility. The south end of the Au Train Basin is located at the divide between the Lake Superior and Lake Michigan watersheds. To the south of the divide are the headwaters of the East Branch of the Whitefish Wild and Scenic River. We are aware of some limited use by canoeists who want to trace the historic water trail from Lake Superior to Lake Michigan. This necessitates a portage around the power house, the falls, and the dam to get into the basin from the Au Train River, as well as a portage around the south dike to get into the headwaters of the Whitefish River. Additionally, the historic Grand Island Bay De Noc hiking trail is located very close to UPPCO lands in Township 45 Range 20 Section 30. We request that the scope of the study be sufficient to determine whether these recreational opportunities will continue to be viable in the future.

Wildlife and Aquatic Habitat Data Verification and Mapping

The Wildlife and Aquatic Habitat Data Verification and Mapping Study Scope mentions that the Agencies, "...identified a number of significant or important habitat types and components (for various life stage usage and support), and various species of interest that should be identified and protected." However, there is no mention of identifying or implementing mitigation measures as objectives of the study scopes. We request that these objectives be included. These may, in part,



be covered in the development of the "natural resources constraint maps". If this is the case, it should be clarified in this section of the study scope.

Protocols for all of the surveys should be provided. Perhaps this is similar to the Investigation Procedures document previously mentioned. However, for the purpose of clarity, survey protocols should all be included as part of the Scope of Services document. We understand that some adjustments to procedures may be required once the work starts, and we will identify a point of contact for E-Pro at Au Train that may document the new procedures.

It should be recognized that information gathered during a brief window, while contributing to the knowledge of these resources, will not be complete, and may not be adequate to perform detailed analysis. It may also be insufficient to draw strong conclusions related to impacts that may result to resources from developments on project lands and waters.

In the case of wildlife and fish resources, there is an expectation in all of the licenses that habitat will be enhanced over time as a result of compliance with terms and conditions. For example, loons may not be nesting or exhibiting territorial behavior when the surveys are conducted, and may not be present due to water level fluctuations that make successful nesting impossible. However, when all license terms and conditions are successfully achieved in the future, it may be possible to support successful loon nesting (this same situation applies to eagles, ospreys, many fish species, etc.). Therefore, when the surveys are conducted, potential use of these areas by these species should be evaluated in addition to any existing use.

For bald eagles and ospreys, in addition to existing nest sites and potential future nest sites (super-canopy trees), we recommend that the investigation also identify specific shoreline areas and trees currently being used by eagles for resting and feeding, as well as areas of high eagle and osprey activity in general.

At Au Train Basin, and other locations where existing and potential raptor habitat mapping have been requested, we want to emphasize the importance of utilizing the protocols for detecting nests and nesting territories provided by the USFS. The methods for using recorded calls for species such as northern goshawk and red-shouldered hawk have produced consistent results across the Forest and are standards for in-house and contract surveys on the Hiawatha National Forest. Both species exist at relatively low abundance, a condition which makes them difficult to detect with other methods that do not employ recorded calls.

In addition to mapping existing and potential Sandhill Crane nesting habitat, fall staging areas should be mapped. Beginning in August, Sandhill Cranes will feed together in the same locations, roost in small flocks at night, and gather in large flocks at staging areas. Staging areas are wetlands usually within a day's flight of nesting marshes that offer food, social interactions, and protection prior to migration.

You have suggested that existing UPPCO timber inventory data will be provided, and will be adequate to meet the need for this information. We are concerned that timber survey data may be inadequate to identify project lands for stands that support tree species or stand structural characteristics that are important to many wildlife species, especially stands with old growth characteristics (large trees, down wood, snags, multiple canopy layers) and stands that contain mesic conifers (cedar, hemlock, white pine) or red oak. For example, timber surveys typically

identify stands as "northern hardwoods" of a certain average diameter, with no indication as to whether the stand contains a hemlock component, the amount and size of hemlock, and whether hemlock regeneration is present. Few or no timber surveys that we are familiar with provide specific data on number of snags, very large trees, coarse woody debris, and occurrence of minor but important species (e.g. red oak, hemlock, cedar). We believe that this higher level of detail may be necessary in order for us to adequately evaluate potential impacts of development activities on old-growth forests on project lands.

For the evaluation of wolf habitat, we recommend that you evaluate and map all existing roads accessing project lands, so that areas with limited or no road access and limited human activity can be identified. This evaluation should not be limited to Bond Falls; rather, it should be done at all projects where development is proposed.

We recommend that all existing roads accessing the reservoir shoreline area be identified and mapped and road densities calculated so that areas on project land that have limited road access can be identified and mapped. These areas may be important to protect for species such as gray wolf, woodland raptors, nesting loons, nesting bald eagles, and others.

The USFS supports the original request to perform these surveys using the transect methodology recommended by the Michigan Department of Natural Resources (MDNR). Fisheries biologists from MDNR use this method for aquatic resource inventory and mapping, and feel it is necessary to obtain this type of data in order for them to be able to fully evaluate the impacts of development proposals on aquatic habitat.

Although lake sturgeon habitat may be outside of the project boundary, we recommend that it be identified on a map so that any potential impacts from proposed development can be identified.

Rare Species, Nuisance Plants

Your study clarification document states that you will not survey for rare, threatened, sensitive and special concern species until site-specific development proposals are known. It would seem to make more sense to conduct these surveys now, in order to know in advance where development should not occur. However, surveys can be completed later, as long as you are prepared to conduct them at some time prior to any development occurring, and recognize that modifications to development plans may be needed to protect these unique resources.

The study clarification document also states that nuisance plants are monitored periodically and therefore it is unnecessary to survey for them now. Currently, only aquatic nuisance plants such as Eurasian watermilfoil and purple loosestrife are monitored. Development activities can cause the spread of nuisance and invasive terrestrial plants as well. We recommend that you conduct surveys of project lands in advance of development to identify infestations of terrestrial invasives such as spotted knapweed, garlic mustard, Japanese barberry, glossy buckthorn, common buckthorn. This course of action may result in the selection of the appropriate best management practices if and when activities within the project boundary are proposed.

Adjacent Land Ownership

The Hiawatha National Forest manages lands adjoining the private lands along the east side of the Au Train Basin. We assume that the proposed development of the lands around the basin will require an increase or upgrades to the existing access roads that cross National Forest lands. We

are not able to speculate on the response or outcome of requests for access that may occur in the future. We have an interest in information regarding the extent of development and the related need for access. We request that the scope of the study be sufficient to determine the magnitude of access anticipated. If this information already exists, we request that it be provided to the Forest Supervisor.

General Comments

It is our understanding that most of the resource investigations are limited to 1 to 2 days of work by the field crews, probably in June. While the information gathered will certainly contribute to our knowledge of these resources, it should also be recognized that the information gathered during such a brief window of time will not be complete, and in some cases may not be adequate to perform detailed analysis or draw strong conclusions related to impacts that may result from developments on project lands and waters. A more comprehensive study, involving visits to the flowages at various times throughout the field season (i.e. spring through fall) would provide much more information and allow for a better and more informative analysis.

It should be noted that spawning for many of the game fish species (smallmouth bass, walleye, yellow perch, bluegill, and northern pike) will have occurred long before the aquatic surveys take place in June, and it is possible that certain locations may actually no longer be inundated by water in June depending on reservoir elevation. We request this be taken into account by the surveyors when assessing availability of fish spawning habitat.

As mentioned at during the May 8, 2006 meeting and conference call, protocols or procedures for all of the surveys should be provided for agency review and comment. The USFS understands that some adjustments to procedures may be required once the field work begins and we will work with the other resource agencies and tribal staff to identify an individual for E-Pro to contact in the event modifications are needed. Advance notification of the location and schedule of the field investigations.

The Hiawatha National Forest appreciated the opportunity to review the study scopes and provide comments. If you have questions, please contact me at 906-789-3374 or kpichler@fs.fed.us.

Sincerely,

/s/

KIRK G. PIEHLER
Wildlife Biologist

cc: Teresa Chase, Matthew G Cole, Kirk G Pichler, Lucas Langstaff, Mike J Lanasa, Ted Schiltz, William Bowman, Lee Ann Loupe

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
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Attachment 20
23 May 2006
**MICHIGAN DNR COMMENTS ON WILDLIFE
AND AQUATIC STUDY METHODS**

From: Jessica Mistak [mistakj@michigan.gov]

Sent: Tuesday, May 23, 2006 1:33 PM

To: Dominie, David; Emond, Gary; Gosselin, Kristen; Campbell, William B.; john.estep@ferc.gov; lesley.kordella@ferc.gov; kpiehler@fs.fed.us; mfedora@fs.fed.us; mlanasa@fs.fed.us; raevans@fs.fed.us; christie_deloria@fws.gov; gmensch@kbic-nsn.gov; Chris Freiburger; Cary Gustafson; Pamela Stevenson; angie_tornes@nps.gov; jdschramm@oceana.net; troutkpr@up.net; Gregory Egtvedt; Gilbert Snyder; Keith E Moyle; Kathryn Hartman; Kerry Spees; Richard Heidel; Roger Trudeau; Shawn Puzen; Shawn Puzen

Subject: Re: UPPCO Land Sales Environmental Assessment Study Methods

Shawn,

Michigan DNR has reviewed UPPCO's General Field Study Methods for Wildlife and Aquatic Habitat Mapping and would like to provide the following comments:

WOODLAND RAPTORS

-The methodology provided to document occurrences of woodland raptors is not sufficient. Woodland raptor species are difficult to locate because they are secretive, occur at low densities, inhabit large forests and are wide ranging- all of which makes them difficult to detect with methods (such as general breeding bird census) that do not employ recorded calls. The U.S. Forest Service methods for using recorded calls to locate species such as northern goshawk and red-shouldered hawk have produced consistent results and are standard for in-house and contract surveys. We again recommend the use of U.S. Forest Service protocols for detecting woodland raptor nests and nesting territories.

-Please define the key woodland raptor species that will be surveyed. We recommend that the woodland raptor survey include goshawk, red-shouldered hawk, Cooper's hawk, barred owl, and broad-winged hawk.

-Woodland raptor surveys should be conducted between 1/2 hour before sunrise to approximately 4 hours after sunrise.

-Woodland raptor surveys should be conducted when weather is suitable (not on windy or rainy days).

-Woodland raptor suitable nesting habitat should be mapped utilizing a similar approach to what was discussed under waterfowl, wood turtle, Greater sandhill crane, and trumpeter swan.

Lastly, we did this review in an expedited manner; however, please recognize that this should be considered an exception and not the rule. It is in everyone's best interest to ensure that there is adequate time for review and comments.

Sincerely,
Jessica Mistak

<>< <>< <>< <>< <>< <>< <>< <><
Jessica Mistak, Senior Fisheries Biologist
DNR Marquette Fisheries Station
484 Cherry Creek Rd
Marquette, MI 49855
906-249-1611 ext. 308
FAX 906-249-3190
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>>> "Puzen, Shawn C" <SCPuzen@wpsr.com> 05/16/2006 5:03 PM >>>

Hello All-

Per our meeting on May 8, 2006, enclosed is a copy of the explanation of study methods as promised. Please provide your comments by the end of the day May 22, 2006. If you do not provide comments by that time, we will assume you do not have any comments.

Please let me know if you have any questions.....

Thanks, <<Habitat study methods 5-16-06.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
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Attachment 21
23 May 2006
FOCUS GROUP MEETING AGENDA

**Upper Peninsula Hydroelectric Project
Initial Focus Group Meeting Agenda**

- 6:00 p.m. — 6:05 p.m.** Welcome: UPPCO Executive: Keith Moyle
- 6:05 p.m. — 6:10 p.m.** Expectations & Ground Rules: Susan Finco
- 6:10 p.m. — 6:30 p.m.** Introductions: Participants (Approx. 3 mm. each) Participants will be asked to provide their names, the group(s) they represent and provide a few general thoughts on the project as well as any discussion they are hearing in the community.
- 6:30 p.m. — 6:45 p.m.** Project Overview: Roger Trudeau
- 6:45 p.m. — 6:55 p.m.** Discussion / Questions: Participants
- 6:55 p.m. — 7:10 p.m.** FERC Process: Shawn Puzen
- 7:10 p.m. — 7:20 p.m.** Discussion / Questions: Participants
- 7:20 p.m. — 7:30 p.m.** Future Topics of Interest: Susan & Participants
- Possibilities include: docks, vegetation control, environmental studies, tree clearing. etc.
- Future Meeting Sites: Susan & Participants
Reiteration of expectations: Susan

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
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Attachment 22
26 May 2006
RESPONSE TO AGENCY COMMENTS

Response to Agency Comments on Study Scopes

Commenting Entity	Comment	Response
Wildlife and Aquatic Habitat		
1. MDNR (6/16/06) MHRC (5/19/06) agrees with MDNR and FS Ottawa NF (5/18/06) USF&WS (5/19/06) NPS (5/19/06) Hiawatha NF (5/19/06)	1-2 field days in June means incomplete and inadequate for detailed analysis/conclusions. Multiple visits through summer and fall recommended.	The current study schedule includes much more than 1-2 days per impoundment. Field studies are scheduled pretty much solid from May 15 th through June 29 th . While each study has its own focus, observations of wildlife and recreation activity will be noted by all study personnel. The time spent on each impoundment will be proportional to the size and complexity of the impoundment and its associated issues of concern. We do not feel that additional summer and fall field days are necessary.
2. MDNR Ottawa NF USF&WS Hiawatha NF	Expectation that habitats will be enhanced over time	The existing FERC licenses contain provisions for the enhancement of resources at each of the impoundments. These provisions will continue to be implemented in accordance with the FERC licenses. The studies that are being undertaken will contribute valuable information that can be applied to future enhancement activities
3. MDNR Ottawa NF USF&WS Hiawatha NF	Sandhill crane – in addition to potential nesting habitat, fall staging areas should be mapped	Known or suitable Greater Sandhill Crane fall staging areas will be mapped as part of the overall habitat mapping study.
4. MDNR Ottawa NF USF&WS Hiawatha NF	Bald eagles and ospreys – in addition to existing and potential nesting sites, identify specific shoreline areas and/or trees currently being used for resting/feeding as well as areas of high activity in general	All eagle and osprey observations, including their locations and activity, will be noted and mapped.
5. MDNR MHRC	Low road density – areas of reservoir shoreline with minimal road access and/or low road density should be	Existing roads will be identified and mapped. Because “low road density” and “minimal road access” are

Commenting Entity	Comment	Response
Ottawa NF USF&WS Hiawatha NF	identified and mapped as areas important to protect for several species	undefined terms, the areas of reservoir shoreline meeting these criteria will be deferred until this item can be discussed with the resource agencies.
6. MDNR Ottawa NF USF&WS Hiawatha NF	Gray wolf – evaluate and map areas of limited or no road access and limited human activity at all projects	Existing areas of limited or no road access will be identified and mapped. Formal/informal recreation areas will also be mapped and will provide information on where recreation activity is occurring. Areas of limited human activity is more difficult to identify given the four season and non-road associated use of the area. In addition, as with Item 5 above, “limited” is an undefined term.
7. MDNR MHRC Ottawa NF USF&WS Hiawatha NF	Habitat surveys – timber survey data will be inadequate; please complete the survey as requested or demonstrate that the existing timber survey data is detailed enough to meet MDNR objectives	UPPCO has conducted intensive forest inventories on its lands at each of the impoundments. The inventories closely followed the procedures used by the Wisconsin Department of Natural Resources for forest reconnaissance. The lands were mapped according to forest type with the aid of MDNR aerial photography and on-ground inspections. Detailed forest data was gathered on a stand-by-stand basis. The information recorded included such items as primary and secondary forest cover, year of origin, habitat type, stocking levels, and preliminary forest management prescriptions. In addition to data collected by helicopter and during the on-land/water surveys being conducted at each impoundment, E/PRO will investigate those stands indicated in the forest inventories that meet the old growth, mesic conifer, and red oak criteria provided by the agencies.
8. Ottawa NF USF&WS Hiawatha NF	Game fish spawning will have taken place before June surveys, some area may no longer be watered (e.g., Bond Falls), this should be taken into account when assessing fish spawning habitat	While fish spawning may have taken place before the June surveys, suitable spawning habitat characteristics will be noted and mapped.

Commenting Entity	Comment	Response
9. MDNR NPS Ottawa NF	Prickett Stump Removal – include impacts to birds that use the stump cavities for nesting	Evidence of stump cavity nesting (species and density) will be noted.
10. Ottawa NF USF&WS Hiawatha NF	Sturgeon – lake sturgeon habitat should be mapped (even though it is outside the project boundary) and impacts from the proposed development identified.	If the agencies can provide information regarding Lake sturgeon spawning habitat in the vicinity of the Prickett impoundment it will be mapped. Potential impacts of development related activity (e.g., stump removal) will be identified.
11. Ottawa NF USF&WS	USFS supports the original request to perform surveys using transect methodology recommended by MDNR. This type of data is necessary to fully evaluate the impacts of development on aquatic habitat.	E/PRO is proposing to document aquatic habitat characteristics along a perimeter transect and additional perpendicular transects as needed to accomplish the proposed mapping effort. The primary difference between the methodology recommended by the MDNR and the method E/PRO plans to employ, is that no transits or stadia rods will be used to determine the depths of water over specific aquatic habitat types at full pond levels. Rather, E/PRO will use depth finders to measure and record the water depth over aquatic habitat, calculate the difference between water level elevation at the time of survey and known full pond elevation, and add this difference to the water depths at the time of survey. E/PRO feels that this approach will provide the information needed in an efficient and comprehensive manner.
12. Ottawa NF USF&WS	Would be better (USF&WS strongly suggests) to conduct RTE surveys now in order to know where not to develop. Can be done later, but need to recognize modifications to development plans may be needed to protect unique resources	We view conducting an RTE inventory in areas of potential impact as a significantly more efficient approach. UPPCO recognizes that some development adjustments may have to be accommodated if RTE species are found at a later date.
13. Ottawa NF USF&WS	Nuisance plants- currently only aquatic nuisance plants are monitored (Eurasian milfoil and purple loosestrife) Should	E/PRO has alerted their boat crews about the presence of Eurasian milfoil in Bond Falls and Prickett, and will

Commenting Entity	Comment	Response
Hiawatha NF	also conduct surveys for terrestrial invasives including spotted knapweed, garlic mustard, Japanese barberry, glossy buckthorn, and common buckthorn E/PRO should contact USFS for location of Eurasian milfoil infestations at Bond Falls. E/PRO should attempt to better document the location and extent of infestations. Prickett also has Eurasian milfoil, boats need to be cleaned and inspected before going to another water body	clean and inspect boats and trailers before entering another waterbody. E/PRO will contact the USFS regarding the location of the known infestation areas. Observations of aquatic and terrestrial invasives will be noted and mapped. Any ground disturbing activities will be quickly reseeded to minimize the likelihood of invasives becoming established.
14. USF&WS Hiawatha NF	Raptors – at Au Train Basin and other locations they emphasize the importance of using USFS protocols (recorded calls) for detecting nests and nesting territories	E/PRO will use the USFS protocol for Au Train and will sample the other impoundments, but a lesser frequency of recorded calling.
15. Hiawatha NF	Request that identification and implementation of mitigation measures be included as objectives of the study scopes.	The objective of the habitat mapping study is to determine where sensitive natural resources exist (and where they possibly could exist i.e., suitable habitat) within the FERC project boundary of the six study impoundments. This information will then be used to help guide potential development away (i.e., avoid and minimize impacts) from these sensitive areas. UPPCO will follow the established mitigation sequence of avoidance, minimization, and if necessary, compensatory mitigation. However, identification of compensatory mitigation measures will not be possible or appropriate until potential impacts have been identified, avoided and minimized. The purpose of the natural resources constraint map is to allow this mitigation sequence to be followed.
Recreation		
16. MHRC	Prickett Stump Removal – what is methodology to be used: map area where stumps/submerged trees are to be removed from, how many to be removed, how close to the bottom, how will removal be done, why does UPPCO think this will not impact fish habitat and aquatic communities'; The fish	The only investigation at this time will be to assess ecological impact (including on the fish community) that could potentially result from stump removal.

Commenting Entity	Comment	Response
	community does not appear to be in need of habitat improvement. Have alternatives to removal been considered which would allow for safe navigation	
17. Hiawatha NF	At Au Train request study scope to include historic water trail between Lake Superior and Lake Michigan and also historic Grand Island Bay De Noc hiking trail in Township 45 Range 20 Section 30 to determine if these recreation opportunities will continue to be viable.	All established formal and informal recreation facilities within the project boundary will be documented and mapped.
18. NPS	Recommend conducting recreational use interviews of paddlers and outfitters familiar with impoundments, compare results with national trends in paddle sports	The NPS provided the names of two individuals who represent paddling interests. These individuals have been added to the focus groups.
19. NPS	Please keep them informed about recreation schedule and locations so paddlers may assist	The recreation study schedule has been sent to the resource agencies. It should be noted that the schedule is subject to change due to weather or site conditions.
20. NPS	Please share protocols/procedures including desktop analysis to determine boating carrying capacity	The protocol/procedures for the boating carrying capacity will be a synthesis of approaches as summarized in Techniques for Estimating Boating Carrying Capacity: A Literature Review (2005) as prepared for the Catawba-Waterlee Relicensing Coalition by Holly E. Bosley, North Carolina State University, Department of Parks, Recreation & Tourism Management. Copies of the Bosley review are available upon request.
General		
	Spell out acronyms when first used	Comment noted.
21. MDNR, USF&WS, Ottawa NF, Hiawatha NF	Provide field locations and schedule so they can participate	<p>The study schedule has been sent to the resource agencies and is as follows:</p> <ul style="list-style-type: none"> ○ Aesthetics May 22 – May 29 ○ Recreation May 30 – June 10 ○ Loons June 11 - 16 ○ Habitat work June 14 – June 30 <p>This Schedule has been e-mailed to the stakeholders.</p>

Commenting Entity	Comment	Response
		It should be noted that the schedule is subject to change due to weather or site conditions.
22. MDNR, NPS, Hiawatha NF	Protocols for all studies should be provided for review and comment	Habitat study field methods were previously requested and were sent to the agencies. For the remaining studies, the scope of studies (previously provided to the agencies) lay out in some detail the methodologies of how the studies will be performed.
23. Hiawatha NF	Access across NF lands at Au Train – request the scope of the study be sufficient to determine the magnitude of access anticipated. If information already exists, request it be provided to Forest Supervisor.	This is not part of the proposed studies. UPPCO will provide this information when it is available.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
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Attachment 23
Early June 2006
WEBSITE ADDITION – FOCUS GROUP MEETING NOTES

FOCUS GROUP MEETING
Au Train, Boney Falls, Cataract project lands
May 23, 2006 – Tailwinds at Sawyer

Keith Moyle, UPPCO General Manager

- Greeted the group and summarized its purpose – to give input into the allowable uses of the project land UPPCO will retain, not to determine what land UPPCO will sell or has sold.

Susan Finco, Facilitator

- Introduced herself as an outside facilitator, hired by UPPCO. She explained that these are not public meetings; they are small group information meetings. There will be public meetings in the future.
- Asked that participants please not tape record so that everyone can feel comfortable knowing their words will not be shared. The company is recording solely for the record, and the tape will not be shared or made public in any way.
- Participants’ feedback is important, but they will not be asked to make decisions or reach a consensus. Their role is: 1) to provide feedback to the group from their own stakeholder group and the community and 2) to listen and learn more about the project and share it with their stakeholder group and the community
- There are many opinions – no one opinion is more important than any other. The group was asked to be courteous and allow others to express their views.

Group Introductions

- Participants introduced themselves and commented on their concerns or special interests.

Roger Trudeau, Director of Real Estate

- Explained the WPS Resources asset management strategy to divest the corporation of lands and buildings not necessary for the ongoing operations of the company.
- Described the Peshtigo River plan in which some land was sold to the Wisconsin DNR and became a park and some land was sold for development.
- Told of UPPCO’s visits to MDNR Directors Kool and Humphries to discuss a similar plan, which resulted in some minor inquiries on a few parcels but no follow up.
- Explained that developers did show an interest, and we received several offers, eventually choosing Naterra, all projects were offered as one package.
- Showed maps of the different flowages, pointed out project boundaries, and said we would continue to own lands within the project boundaries and would operate them as required by our FERC license.

Question’s on Roger’s presentation:

1. *What is the status at Au Train?*

Au Train has not been sold - UPPCO has committed that Naterra will be involved in sales. Conservation certainly can be an element in the development and the sale of the land and Naterra will be involved in all discussions.

2. *Is Naterra acting as a broker?*

No, Naterra is acting as a buyer. They in turn will subdivide it and sell individual lots. Conservation is a part of the development.

3. *Would a conservation easement be a possibility?*

It is an option.

4. *Would a park or something add value to the property Naterra has? And they might agree to that, that they would be buying the property and reselling it, they are looking for some added value.*

Correct.

5. *What are the specific distances of the project land?*

It varies at the Boney Falls as opposed to the Au Train, which is 200 feet from the ordinary high water mark. At Boney Falls UPPCO retains an easement specifically to maintain the FERC recreational facilities located on non project lands.

6. *It's my understanding there is going to be at least like a public launch, which I really don't have a problem with, but who can make the suggestion about putting docks in?*

The FERC license does say that UPPCO can grant the right to a dock to adjacent property owners and it is pursuing the option through the proper courses of consultation with the agencies. It's part of the land sale and part of Naterra's development plan as well.

7. *What are the minimum size lots you need?*

Lot size is controlled by local zoning.

Greg Egtvedt

FERC Process

- Explained shoreline planning process and stressed that no decisions have been made regarding the proposed use of the hydroelectric project boundary lands or reservoir area.
- Discussed the schedule for implementing the shoreline planning process and gave an overview of the proposed studies to be completed along with the primary purpose of the studies.
- Stakeholder involvement was discussed, and an overview of the FERC process following shoreline plan submittals was given.

Shoreline management

- Explained that for this project the studies are extensive. Once the information is gathered, it'll be studied and the shoreline management plan will be developed and submitted to FERC. All these projects have been licensed fairly recently, so a lot of environmental data is already documented.
- UPPCO has hired E-Pro (a nationally recognized environmental consulting firm) to get information to help us through this.
- Timeline:
 - January - April define study needs;
 - April – May develop study plans;
 - May - June implement study plans for environmental studies;

- o July – November develop SMP;
- o November submit to FERC.

Environmental Studies will cover

- 1) Recreation uses (each reservoir will be studied independently)
- 2) Wildlife habitats, including plants and erosion
- 3) Loons - because of the sensitive nature of that species they have their own study
- 4) Aesthetics

UPPCO has held two public meetings and will have about two more. Next public meeting will probably be in July, open house format. Final public meeting will probably be held in September. When FERC receives the plan, they'll determine the level of environmental study required and will decide if more public interaction is needed. There are no firm plans at this time – we are waiting for the results of the studies.

Question/s on Greg's presentation

1. How will private property owners outside of Naterra development be affected when you use the term aesthetic value? Somebody outside the boundary might have a use for his own private property that might have an adverse effect on the aesthetic value of the property that is being developed. I think that concerns me as to how far this might reach out.

The studies we have to complete for the FERC process is to address the aesthetics of the reservoir inside the FERC project boundaries – not on the private land already sold.

A focus group member commented that, "at Yellowstone Park, I think they went about 150 miles outside of the park to put controls on so it wouldn't affect the park.

I've heard something but I don't know much about it. Are you aware of what has taken place in regards to that part of the country? That's what concerns me when you're going into all these environmental studies, you're saying how far out is this eventually going to reach. If we want to take this tact here, who else are we going to affect, and this is something that is an unknown quite possibly right now."

FYI – environmental studies for the development on private, non-project land are not required.

2. Is there any latitude for this buffer project zone around the Au Train basin where those lands are owned? Do you have some latitude?

FERC has already made a determination that 200' is enough as necessary for the safe operation of the dam and protection of the resources and viable operation of the hydroelectric project and management which includes management of the resources.

3. Is that an average of 200'?

Yes. The license defers the project boundary development to what's called the Land Management Plan or Wildlife Management Plan that dictates where the boundary is set up. The license gives general conditions and has an article to develop a comprehensive land and wildlife plan to include the development of the boundary, the plan, and the boundary has already been approved by FERC.

4. *What about Species?*

Actually the species list is determined to need additional studies. And the key to additional studies was based upon direct consultation with the environmental resource agencies. Another example is water quality data. We have good water quality data and continue to gather water quality data on our hydro electric reservoirs as part of our FERC license. There's good data on a number of other areas, but these are the areas where the agencies in our consultation have indicated that they probably need additional studies in these areas. This is inside the FERC project boundary we're studying.

Follow-up: At some point Naterra will make a determination as to what the impact will be. How the lands inside the project boundary are used, such as water access and docks, is what will be submitted to FERC.

5. *Question regarding Naterra's lots at Cataract.*

Naterra may be starting on a portion of Cataract later this summer because this land is not subject to FERC jurisdiction. There are no proposed plans or requests from Naterra for access to the FERC project lands as part of this development. These lands are outside the FERC project boundary so as a result the way it's going to be developed by Naterra will have no direct impact-trails to the water, docks on the water and so forth. So that's why that development is not contingent upon uses inside the project boundary.

6. *Question on water levels.*

We need to draw the reservoir down for maintenance activities or dam safety reasons for purposes of concrete repair or maintaining the integrity of the dam.

7. *The boat landing across from us on the river repairs has that need to be made.*

What UPPCO normally likes to do is time repairs so they are after Labor Day. Some projects, particularly Au Train with the drawing down this year did not have the benefit of opening gates to draw it down. There is a very slow flow and the drawdown will start in June to get the flowage down to the level needed by fall for dam safety inspection at that one.

UPPCO is still going to own these project lands and the basin and pay taxes on it. UPPCO will still have the hydro electric dam and generators and has to maintain and operate per FERC regulations and rules. So even after selling land, that will not change and those processes will not change either. Public safety and dam safety operation is number one.

8. *Is the Cataract basin under FERC license, the new license?*

Yes

9. *What is the reason for having the dam production?*

Energy production. Of the 8 CFS mentioned is only the bypass flow. That flow bypasses the powerhouse and goes back into the river.

Topics for future discussions

Susan provided the topics the eastern group requested and asked for suggestions.

Eastern Group's topics

Based on discussion at the Tuesday, May 23 Eastern Focus Group meeting, the participants would like the following items to be topics at upcoming meetings:

- Docks (placement, materials, rules & requirements, technology, water levels, etc.)
- Water structure alteration (tree stump removals, carrying capacity for boats, etc.)
- Road access within project boundaries
- Environmental studies (updates / results / recommendations)
- Economic impact of projects
- Naterra presentation on potential development (what it would look like, etc.)
- Peshtigo River project (photos, results, etc.)

Meeting days / times / locations:

Janet said she would poll the members to see what days of the week would work well. Of those in attendance, Monday seemed to be a fairly good day. The current time (6:00-7:30) was OK. The group also liked the meeting location, so we will not have to move it around.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 24
13 June 2006
LETTER TO FOCUS GROUP

Letter to Focus Group- 13 June 2006

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June 13, 2006

Dear UPPCO Focus Group member:

Thank you for attending the first meeting of the advisory focus group for AuTrain, Boney Falls, and Cataract. Prior to the second meeting, which will be held on Monday, June 19, from 6:00 to 7:30 PM (Eastern), we thought it would be helpful to review a few procedural items and provide you with an update on other issues.

As we discussed at the first meeting, the focus group is not a decision-making body, nor will we ask you to reach consensus on any issues. However, you do play an important role in discussions on the non-project use of project lands. At each meeting, you will hear informational presentations on various aspects of the project and have an opportunity to comment and ask questions.

Your role is to

- Provide feedback on the topic being presented
- Share what you learn with others in the community

Meeting topics: Based on your feedback, we've developed a list of pertinent topics to be presented at future meetings. We anticipate that one or two will be discussed at each meeting. The presentation topics are important, because they will give you accurate information about issues directly relating to non-project uses of project lands and provide a focus for that evening's discussions. To keep the meetings on track and on time, we will discuss only those issues that relate to the meeting topics.

Participation: Each stakeholder at the table has a view and a voice, and it's important that each of you is able to state your position. Going forward, after every presentation we will go around the table and ask each representative for his or her comments on the presentation and provide an opportunity to ask a question. This process will ensure that every focus group member is heard.

Alternates: Based on your feedback and comments, each stakeholder may appoint one alternate to the committee. Please provide us the name of that person prior to the next meeting date by e-mailing Janet Wolfe at jwolfe@wpsr.com or calling (906) 483-4528. The person named as alternate will attend only in the event you cannot attend a meeting. Please ensure that your alternate is knowledgeable about the topics discussed at previous meetings.

The focus group is intended to be a small group meeting, which is why we are limiting attendance to the designated representative or, if you are unable to attend, your alternate. If neither the designated representative nor the alternate can attend a meeting, there cannot be a secondary alternate.

Recording: Concern was expressed about recording the meeting. Therefore, UPPCO will not tape any future focus group meetings, nor will members be allowed to tape meetings. As we explained, we want people to feel free to express their opinions without concern about hearing the discussion on a Web cast or printed in the paper. We will have a third-party note taker at the meetings to take general meeting minutes. These will be made available to those who are interested and will also be posted on our Web site. They will not be meeting transcriptions;

12/29/2006

Letter to Focus Group-- 13 June 2006

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rather, they will provide a general overview of what occurred and what was discussed. Feel free to take your own notes if you prefer more detail.

FERC licenses: A question was raised at the meeting concerning the FERC licenses for the areas being developed. The purpose of our focus groups is not to discuss what should or should not be in the licenses. That is FERC's decision. If you would like to review the licenses, they can be found on UPPCO's Web site: www.uppco.com

Other types of involvement: As explained at the first meeting, these small focus groups are just one part of the process. If you feel you cannot participate in the focus group because you don't agree with the structure or ground rules, there are other opportunities for public involvement and comment. Additional public information meetings and/or open houses will be held this summer and fall, and presentations are continuing to local governments. Updated information is also periodically posted, including questions and answers, on the Web site: www.uppco.com

Of course, you can always send your comments and thoughts directly to FERC:

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
Mail Code: DTCA, HL 21.3
888 First Street, N.E.
Washington DC 20426

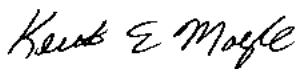
If you decide you don't wish to participate in the focus group, please let us know of your decision. If you continue to attend, we consider it an acceptance of the meeting structure and guidelines outlined in this letter.

Future meeting dates. Based on your input regarding meeting days and locations, the following schedule has been developed for your focus group meetings. Unless the group asks for a change or the site has a conflict, all meetings will be held at Tailwinds at K. I. Sawyer from 6:00 to 7:30 PM (Eastern).

JULY:	Thursday, July 20
AUGUST:	Thursday, August 31
SEPTEMBER:	Thursday, September 28
OCTOBER:	Thursday, October 19
NOVEMBER:	Thursday, November 30

Again, thank you for participating in UPPCO's Focus Group. We look forward to seeing you at the next meeting.

Sincerely,



Keith Moyle
General Manager

12/29/2006

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 25
19 June 2006
FOCUS GROUP MEETING AGENDA

Upper Peninsula Hydroelectric Project: June Focus Group Meeting Agenda

Focus Group Purpose

The Focus Group is an advisory group. While it is neither a decision making body, nor will you be asked to reach consensus on any issues, your input is important. We ask that you:

Provide feedback on the topic being presented

Share what you learn with others in the community

UPPCO thanks you for taking the time to be a part of the process.

- 6:00 p.m. – 6:05 p.m. Welcome & opening comments: Susan Finco
- 6:05 p.m. – 6:15 p.m. Focus group member introductions (Approx. 1 - 2 minutes each)
Name and organization(s) you are representing
What are you hearing in the community / from your associates?
- 6:25 p.m. – 6:30 p.m. Brief Environmental Studies Update: Shawn Puzen
- 6:30 p.m. – 6:40 p.m. Environmental Factors (as listed in the hydroelectric project
licenses): Shawn Puzen
- 6:40 p.m. – 6:55 p.m. Focus group comments (Approx. 1-2 minutes each / please keep
your comments concise and on topic)
Each panelist will be asked to provide comments/reaction to
presentation and ask a question
- 6:55 p.m. – 7:15 p.m. Docks: Roger Trudeau
- 7:15 p.m. – 7:30 p.m. Focus group comments (Approx. 1-2 minutes each / please keep
your comments concise and on topic)
Each panelist will be asked to provide comments/reaction to
presentation and ask a question
- 7:30 p.m. Meeting adjourns

NEXT MEETING DATES: Monday, July 17: Western Focus Group
Thursday, July 20: Eastern Focus Group

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 26
Early July 2006
WEBSITE ADDITION – FOCUS GROUP MEETING NOTES

Highlights of June 19 Focus Meeting – Au Train, Cataract, Boney

Facilitator Susan Finco reviewed ground rules, alternates, meeting notes, and reminded the group that the discussion centers on the allowable non-project use of project land. It is not to determine use of the private, non-project land sold or to be sold.

Initial comments from group members or alternates on their concerns and what they have been hearing from others regarding the process:

The fishing/camping community doesn't want to see any changes.

People are opposed to change and concerned about what will happen on the non-project land.

Naterra hasn't yet completed some processes for Baldwin Township, but they can still do that. Overall, people are concerned.

Quite a few people are worried about development. One person was positive and wanted development but said it should be balanced with the needs and desires of the population to maintain our way of life.

People are concerned about the impacts of the development; one person concerned about his "camp" on project lands.

Some concern about "traditional" use of non-project land for hunting, etc.

Concern about wildlife.

There is a need for more information.

Environmental Presentation – Shawn Puzen

Mr. Puzen updated the group on the progress of the environmental studies.

- The aesthetic, loon, and recreational studies are complete. The wildlife habitat studies are in progress
- UPPCO intends to complete the studies and prepare a draft report for the resource agencies by July 28, 2006.
- UPPCO will hold a public "Open House" meeting to present the report to the public soon after July 28.

Mr. Puzen went through the environmental factors (by article) of the FERC licenses for Au Train, Cataract, and Boney that discuss the non project use of project land. The factors are extensive and vary slightly from project to project. All contain a Standard Land Use article. The complete licenses can be found at the UPPCO Web site: www.uppco.com.

Au Train, 40-year license issued in 1997, amended in 1998

- Article 401 (environmental concerns): Au Train will operate "modified run of the river," which means it releases as much water as it takes in, but not less than 50 cubic feet per second.
- 402: developer operational plan (water elevations, draw downs, etc.)
- 404: Purple loosestrife, Eurasian Water milfoil monitoring plans

- 405: Bald Eagle Protection Plan
- 406: Wildlife Management Plan (wildlife plantings, osprey platform, removing brush, gray and eastern timber wolf)
- 407: Comprehensive Land Management Plan (200-foot buffer, no timber harvest, shoreline erosion)
- 408: Historic Resource Management Plan (how to act when historical artifacts are discovered)
- 409: Recreation plan (access, boat launches, etc.)
- 410: Standard Land Use Article – all licenses
 - Section A – conveys certain interests in project lands provided they are consistent with the purpose of protecting and enhancing the scenic, recreational and other environmental values of the project.
 - Section B – allows UPPCO to grant, without prior FERC approval, landscape plantings, non-commercial piers, landings, and boat docks or similar structures and facilities that can accommodate no more than 10 watercraft at a time intended to serve single family residences.
 - Section C – allows easements for sewer lines, bridges, etc. It requires an annual report.
 - Section D – discusses electric transmission lines, public marinas, selling of land less than 5 acres more than 75 feet from shore (no prior approval needed)

Bony Falls, 40-year license issued in 1995, amended in 1996

- 401: operation is run of river (release out as much as taken in)
- 402: reservoir elevations
- 403: water quality
- 405: run-of-river monitoring
- 406: fisheries resource plan, \$5,000 (1991 dollars) annually to protect fishery
- 407: reservoir drawdown plan
- 408: flow augmentation plan
- 409: Purple Loosestrife and Eurasian Water milfoil monitoring
- 410: Bald Eagle
- 411: Cultural Resource Plan
- 412: Recreation Plan
- 413: Land Use Plan – buffer zone and vegetation screening
- 414: Standard Land Use Article

Cataract, 40-year license issued and amended in 1997

- 401: operation is run-of-river.
- 402: 8 cubic feet per second outflow in the bypass reach
- 403: operations compliance plan
- 404: water quality monitoring plan
- 406: fisheries resource plan, \$3,000 (1996 dollars)
- 407: woody debris passage plan (UPPCO transfers woody debris past dam into lower river to provide fish habitat)
- 408: Purple Loosestrife, Eurasian Water milfoil
- 409: Bald Eagle
- 410: Wildlife Management
- 411: Comprehensive Land Management

- 412: Cultural Resource compliance
- 413: Recreation Plan (improvements, safety siren and signage)
- 414: Stand Land Use Article

Questions on Environmental Presentation

What makes an archaeological study needed? Age of artifacts?

Yes, the age and “significance” are important. Historic is older than 50 years but not all that is discovered is significant. Prehistoric is older but a study is not needed if the discovery was disturbed in the past or if the discovery is not in context with its surroundings.

At Cataract, are there special considerations for Wood Ducks?

Actually there are Wood Duck and Mallard nesting structures, Purple Martin houses, and Bat houses among other things.

Are there maps that show the locations of these structures?

Yes. They are maintained on an annual basis.

Do the licenses state that UPPCO can convey dock rights without approval? Are there limits?

Yes. UPPCO can convey docks rights. The question is what is consistent with the license requirements of enhancing recreation, protecting wildlife, etc. That’s why the environmental studies are being conducted.

The license states a dock can accommodate 10 or less slips for residential use.

I appreciate all the UPPCO does in opening lands to the public when it could just close the gates. Regarding all the work that has to be done to remain in compliance with the licenses, does UPPCO have biologists, entomologists, etc. on staff or do they hire out?

Both. UPPCO has biologists and environmental scientists on staff. But, if needed, UPPCO will hire experts to conduct and complete certain activities.

UPPCO also relies on the resource agencies to provide some of the information needed. After the studies are completed, they are forwarded to the resource agencies and to FERC.

When the studies are complete, can the 200-foot buffer change?

It’s possible, but UPPCO would have to request the change to FERC and prove that it will remain in compliance with all the license requirements if the buffer changes. UPPCO isn’t considering making such a request.

Can you elaborate on the Au Train recreation study?

The study is performed considering formal and informal uses of the area. We are looking at observations of current and past use, interviewing people, using anecdotal information, looking at shallow and open water areas. We are not just counting the number of users to develop a carrying capacity for the reservoir.

Will there be a large number of docks because of the long shoreline?

We won’t know how many docks, or what kind of docks would be appropriate until the studies are complete.

Is the development limited to residential development?

That is a question for Naterra because that is not project land. We are focused on project land.

Is the impact of a large, nearby residential development on the scenic and recreational opportunities considered in your application to FERC?

No. Only the impacts on project land are considered. However, local ordinances and zoning can impact and shape the development.

Have you developed a forest management plan on non-project lands? I saw a stream with a sheen on the water.

Again, you're talking about non-project lands. We are concerned with project lands for this focus group. Regarding the sheen, there are natural causes for a sheen-like covering over water. If the sheen breaks up when touched, it's a natural cause.

Do you take into consideration the non-project impact on the project?

Yes. That's really what we're doing now by considering the lake carrying capacity, for example.

Will the draw downs lessen because of the need to keep water levels more stable with the development?

The development should have no impact on the frequency or level of future draw downs.

Why isn't there an environmental study for the non-project land?

That kind of study is not required for private land. It's no different than if an ordinary citizen was selling 200 acres of the land to be developed, for example.

Why doesn't FERC require the studies for a greater area?

In the licensing process, FERC agreed that a 200-foot buffer was sufficient.

Are the wildlife studies complete?

They are in the process of being completed. As mentioned earlier, the Loon study is complete.

If you do the studies over the summer, there are more people around and less wildlife. Would that impact your studies?

No. The experts look at other factors like suitable habitat for the wildlife. Just because the wildlife isn't present during the studies doesn't mean the experts can't tell if the area is conducive to a certain wildlife habitat -- potential Loon nesting sites for example. Potential spawning grounds for certain types of fish is another example.

Is it possible that someone who owns property on the reservoir could lose their property to Eminent Domain?

That would be the State of Michigan's call, but we don't see it as likely.

Dock Presentation -- Roger Trudeau

Mr. Trudeau reviewed the Peshtigo River development/dock guidelines which was done by Wisconsin Public Service Corporation, a sister subsidiary along with UPPCO, to WPS Resources Corporation.

The guidelines allowed:

- a path to the water using natural construction materials (wood chips)
- a dock was allowed
- limited vegetation removal in a “view corridor” was allowed (removal of trees/branches less than 2 inches thick at five foot high), even though state law would have allowed clear cutting and mowing down to the river.

He reviewed other information regarding the development and passed around pictures of the Peshtigo development as seen from the water.

- Project lands (200-foot buffer) remain open to the public and they cannot be excluded by the owner’s of adjacent property
- Homeowners have to apply to do anything on project land. Routine requests are granted from the office. Anything outside the guidelines requires a site visit (even to remove dead or diseased trees, for example)
- Enforcement: If someone violates the guidelines, they could lose their easement (right to dock, view corridor, vegetation removal). That has already occurred for 1 Peshtigo landowner. UPPCO will strictly enforce the easement agreement.

A Naterra representative passed around vendor photos of floating docks that may be suitable for this development. He said Naterra was looking for something that would have minimal impact.

Questions on dock/development guidelines

Are you saying that these floating docks are appropriate and will be allowed?

UPPCO won’t know what will be allowed until all the studies are complete. There could be different restrictions for each reservoir and even for different areas of a single reservoir. There may be some areas where no docks are appropriate or even any development in sensitive areas, for example. We’ll know more when the studies are complete.

Are the view and access corridors on public land?

Technically, they would be on private land, open to the public. The public cannot be restricted or discouraged from accessing that land.

Who would be responsible if something happened on that land? UPPCO or the adjacent landowner?

That would depend on the individual circumstance of the incident. UPPCO will have the same responsibilities as before.

The plans at the Peshtigo seem very responsible. If Au Train is similar, I think people will feel better. After the easements, UPPCO is responsible to ensure people comply with their easements.

Will UPPCO bring a plan like the Peshtigo plan to this group?

Yes. When it is completed, based on the studies.

Is there any public access on the Peshtigo?

Yes. There are 14 boat landings on the Peshtigo. They were all there before the 273-acre development.

Can UPPCO spell out the exact requirements for docks?

Yes. They will be removable, for example.

Will UPPCO allow homemade docks?

That's where the input from focus groups is helpful to UPPCO in making a decision. Any docks would have to comply with aesthetic and functional guidelines.

Is it going to be up to the environmental studies to determine the number and location of docks?

Yes.

Will there be dusk to dawn lighting? Would you consider motion-sensitive lighting?

Again, that is still up for discussion and focus group opinion will aid UPPCO in making decisions. Lighting has been an issue and UPPCO is looking at motion sensitive lighting and low wattage lighting for example. There is a concern for safety in using docks after dark.

Does UPPCO have a say in what happens on the water? Personal watercraft, wakes, etc.?

No. Those issues are up to the state and local governments.

You can't fire a gun within 450 feet of a dwelling. Duck hunting would be restricted if homes were within 450 of the reservoir.

UPPCO understands that concern but until the studies are complete, we won't know the exact location of the development and other things.

It appears there will be no access for the public because of problems crossing the adjacent land owner's property. Is that true?

No. All the existing public access points will remain and UPPCO would like to enhance the public's access to the reservoirs. UPPCO will work with the resource agencies and, considering the results of the studies, hopes to formulate a plan to increase public access opportunities. At Bond Falls, for example, UPPCO has proposed 4 additional public access sites.

I see that in the Peshtigo development, the houses blend in with the natural surrounding very well. Will there be similar restrictions on these developments?

WPS developed the Peshtigo property and included covenants governing home size, natural colors, etc. Naterra has similar covenants planned for these developments.

Is the enforcement burden on UPPCO for someone who might violate the easement?

Yes.

As a cost of doing business, that would be passed along to customers, right?

Yes, but customers receive a monetary benefit from the sale and development. Customers already received \$5 million in electric rate relief and they will also share in the proceeds of future sales.

If you revoke an easement and the property owners sell, does the new owner get the easement back?

No. The easement will not be granted until the restrictions in it have been met.

For example, if vegetation has been cut in violation, it will have to either regrow or new vegetation brought in before an easement would be reconsidered. Until the area is restored, there would be no dock, no path, and no view corridor.

Losing an easement will significantly devalue someone's property. Things would have to be put back to the needed condition before the easement is granted.

The easement will be recorded in the County Property Records. The easement is tied to the property, not to the property owner.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 27
20 July 2006
FOCUS GROUP MEETING AGENDA

Upper Peninsula Hydroelectric Project:
July 20, 2006 Focus Group Meeting Agenda: Eastern Group

Focus Group Purpose

The Focus Group is an advisory group. While it is neither a decision making body, nor will you be asked to reach consensus on any issues, your input is important. We ask that you:
Provide feedback on the topic being presented
Share what you learn with others in the community
UPPCO thanks you for taking the time to be a part of the process.

- 6:00 p.m. – 6:02 p.m. **Welcome & opening comments:** Susan Finco
- 6:02 p.m. – 6:15 p.m. **Focus group member introductions**
 - Name and organization(s) you are representing
 - What are you hearing in the community / from your associates?
- 6:15 p.m. – 6:30 p.m. **SMP Goals & Objectives:** Shawn Puzen
- 6:30 p.m. – 6:50 p.m. **Focus group comments**
- 6:50 p.m. – 7:05 p.m. **Peshigo River development:** Roger Trudeau / Greg Egtvedt
- 7:05 p.m. – 7:30 p.m. **Focus group comments**
- 7:30 p.m. **Meeting adjourns**

UPCOMING MEETING DATES:

- Tuesday, August 8, 2006: Environmental Studies Findings Public Open House at Tailwinds
- August 31: Eastern Focus Group Meeting

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 28

25 July 2006

EMAIL CORRESPONDENCE - MICHIGAN DNR COMMENTS
RE: REVISED SMP GOALS AND OBJECTIVES

From: "Puzen, Shawn C" <SCPuzen@wpsr.com>
To: "Jessica Mistak" <mistakjl@michigan.gov>, <dDominie@eproconsulting.com>, <gemond@eproconsulting.com>, <kgosselin@eproconsulting.com>, <wcampbell@eproconsulting.com>, <john.estep@ferc.gov>, <lesley.kordella@ferc.gov>, "Doug Clark" <dclark@foley.com>, "Darla Lenz" <dlenz@fs.fed.us>, <kpiehler@fs.fed.us>, <mfedora@fs.fed.us>, <mlanasa@fs.fed.us>, "Norman Nass" <nnass@fs.fed.us>, <christie_deloria@fws.gov>, "Ann McCammon Soltis" <amsoltis@glifwc.org>, <gmensch@kbic-nsn.gov>, "Chris Freiburger" <FREIBURG@michigan.gov>, "Cary Gustafson" <GUSTAFSC@michigan.gov>, "Pamela Stevenson" <StevensonP@michigan.gov>, <angie_tornes@nps.gov>, <jdschramm@oceana.net>, <troutkpr@up.net>, "Snyder, Gil E" <GESnyder@wpsr.com>, "Egtvedt, Gregory W" <GWEgtvedt@wpsr.com>, "Hartman, Kathryn A" <KAHartman@wpsr.com>, "Spees, Kerry A" <KASpees@wpsr.com>, "Moyle, Keith E" <KEMoyle@wpsr.com>, "Trudeau, Roger J" <RJTrudeau@wpsr.com>, "Heidel, Richard R" <RRHeidel@wpsr.com>
Date: 07/25/2006 9:35:35 AM
Subject: RE: Revised SMP Goals and Objectives

Jessica-

First of all, thank you for your continued participation in this process. We believe that we

are making significant progress and we appreciate your participation.

We have several concerns with your email.

Procedurally, we believe that it is important that resource agency and interested party representatives who attend SMP Group meetings and negotiation sessions, such as the June 12, 2006, meeting, are prepared and have the authority to speak on behalf of the agency or party that they represent. Otherwise the time and effort spent preparing for and conducting these sessions can be wasted. For example, at the June 12 meeting, representatives of eleven resource agencies and interested parties reached agreement upon acceptable SMP Goals and Objectives. On June 19, we emailed the agreed-upon language for the SMP Goals and Objectives to all parties. Based upon our understanding of the agreed-upon language, we assembled the Focus Groups to, among other things, consider and comment on the SMP Goals and Objectives and use the SMP Goals and Objectives as a framework for the Focus Group discussions.

The agreed-upon SMP Goals and Objectives were presented and discussed at the July 17 and July 20 West and East Focus Group meetings. At these meetings, the SMP Goals and Objectives were presented as having been developed jointly with the resource agencies based upon the public comments the agencies and UPPCO had received and agency/UPPCO input.

This was, in fact, true. Yesterday, without any explanation, you inform us that MDNR has changed its mind and accordingly developed additional language to be considered in developing the SMP's Goals and Objectives.

In order for the SMP process to be effective, these concerns should have been discussed with all parties at the June 12 SMP group meeting.

At this point, we have already held Focus Group discussions using the agree-upon language of the SMP Goals and Objectives as the framework.

We do not believe that your new comments warrant reconvening the Agency Group. We will include your email and your forthcoming edits as an exhibit to the SMP that we will submit for FERC approval at the end of this process. We will explain, in the text of the SMP, that these edits were not considered in the Agency Group meeting that established the SMP goals and objectives.

In any case, it is important for all parties to understand that the SMP will be a document that UPPCo will author and file with FERC after consultation with the SMP agency group. As with all such FERC filings, if the SMP group cannot reach consensus on any issue, the non-consensus issues will be identified and FERC will be provided with what UPPCo believes to be the pertinent background information that will allow FERC to resolve the disputed issue. Copies will be provided to all SMP parties, among others, and all will be able to provide FERC with additional information.

Nevertheless, we believe that the production of a consensus SMP is in the interests of all parties and we will continue to work to achieve consensus among all parties.

As to your substantive comment, at the June 12 meeting all the parties agreed to use the term "avoid or minimize impacts" in the introductory language to SMP goals 1, 2, 5, 6, 8, 9, and 10. You state that MDNR now believes that in order to be consistent with its interpretation of UPPCo's federal hydropower license, that these words should be deleted and alternative language using the words "protect and enhance" should be used. We do not need to quibble about the proper interpretation of the license language. Instead, we will simply include that language as the introduction to the "Goals" the language of the license. Accordingly, we will revise the SMP as follows:

Goals and Objectives:

To the extent feasible and desirable to protect and enhance the project's scenic, recreational, and other environmental values, the licensee shall require multiple use and occupancy of facilities for access to project lands and waters. See Bond Falls Project No. 1864

License , Article 422 (b).

Thanks.

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094

scpuzen@wpsr.com

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From: Jessica Mistak [mailto:mistakjl@michigan.gov]
Sent: Monday, July 24, 2006 9:02 AM
To: ddominie@eproconsulting.com; gemond@eproconsulting.com;
kgosselin@eproconsulting.com; wcampbell@eproconsulting.com;
john.estep@ferc.gov; lesley.kordella@ferc.gov; Doug Clark; Daria Lenz;
kpiehler@fs.fed.us; mfedora@fs.fed.us; mlanasa@fs.fed.us; Norman Nass;
christie_deloria@fws.gov; Ann McCammon Soltis; gmensch@kbic-nsn.gov;
Chris Freiburger; Cary Gustafson; Pamela Stevenson;
angie_tornes@nps.gov; jdschramm@oceana.net; troutkpr@up.net; Snyder, Gil
E; Egtvedt, Gregory W; Hartman, Kathryn A; Spees, Kerry A; Moyle, Keith
E; Trudeau, Roger J; Heidel, Richard R; Puzen, Shawn C
Subject: Re: Revised SMP Goals and Objectives

Hi Shawn,
MDNR has reviewed the proposed SMP Goals and Objectives and offers the following comments:

We do not agree with using the term "avoid or minimize impacts" in goals 1, 2, 5, 6, 8, 9, and 10. After further review, we have determined that this language is not consistent with the existing FERC licenses which call for protection and enhancement of natural resources, aesthetics, and recreational values. Instead, these goals should include the protection and preservation of resources and the prevention of impacts- a revised version with suggested edits will be faxed to your office.

Goals 8 and 9 in the proposed language should be changed to also reflect protection of wildlife, avian, and T&E species habitat.

The introductory paragraph does not fit in this document and should be removed.

Thank you for the opportunity to comment.
Jessica

<<< <<< <<< <<< <<< <<< <<< <<<
Jessica Mistak, Senior Fisheries Biologist
DNR Marquette Fisheries Station
484 Cherry Creek Rd
Marquette, MI 49855
906-249-1611 ext. 308
FAX 906-249-3190
>>> >>> >>> >>> >>> >>> >>> >>>

>>> "Puzen, Shawn C" <SCPuzen@wpsr.com> 06/19/2006 3:52 PM >>>

Hello All-

Based upon the meeting on Tuesday, June 13, 2006, UPPCO has revised the SMP Goals and Objectives. The revisions were made according to the wording agreed upon in the meeting. UPPCO also added an Introduction statement to the beginning of the document to summarize the points UPPCO brought to your attention during the meeting about the reasons it is pursuing this effort and the proposed schedule.

Thank you for your participation in the meeting on Tuesday and please let me know if you have any questions....

Thanks,

<<SMP Goals and Objectives Revised.pdf>>

Shawn C. Puzen
Environmental Consultant
Wisconsin Public Service Corporation
(920) 433-1094
scpuzen@wpsr.com

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Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 29
Late July 2006
WEBSITE ADDITION – FOCUS GROUP MEETING NOTES

**Summary of July 20, 2006 Eastern Focus Group Meeting
re: SMP AuTrain, Boney Falls, Cataract**

Susan Finco opened the meeting, reminded everyone the purpose of the meeting is to discuss non-project use on project lands. This is just one piece of UPPCO's effort to gain public feedback. There will be open houses taking place as well; one is coming up on

Aug. 8 that will present the results of the environmental studies. Focus group members will also be able to submit questions to FERC and representatives from resource agencies.

These meetings are structured to provide information on several subjects, and structured so that everyone has the opportunity to make comments and ask questions. Any comments or questions not made at meeting can be forwarded to UPPCO. There is also the option to check out the Web site where minutes will be posted, and contact Kerry Spees at kspces@wpsr.com.

The environmental studies have been completed, the drafts are being reviewed and will be reported to the agencies on July 28. Everyone in focus group will receive these drafts as well.

There may have been a misunderstanding about the focus group makeup. There are two groups; one from the eastern area and one from the western area of the U.P. UPPCO had verbally stated that not everyone who was interested would be able to participate; and UPPCO also stated it wanted representatives who live in each area to serve on the respective groups. In this area, a UPPAC representative was not able to attend this evening, and the alternate asked to represent them was not from this area. In the interest of having UPPAC at the table, we have agreed to have the non area resident in attendance and have asked UPPAC to provide a local resident as an alternate, if one is needed, at our next meeting.

Initial comments from focus group members

"There seems to be a big misunderstanding on project lands versus non-project lands. We're trying to clearly define the difference and want to educate people but we don't know how."

"Have heard very little, what has been said has been positive."

"Have had very negative feedback from the camping and fishing community and with local townspeople."

"Don't really know the purpose of this meeting. There is the idea of creating a tax base for local units of government, don't know if that's good or bad, probably will be debated in local government. Don't know what's been proposed to be developed. Naterra is not in compliance with the law – have tried to contact them but haven't been able to."

Facilitator comment: The purpose of the meeting is to gather input and feedback. The comments and questions get recorded and are shared and used in this process.

"There has not been a lot of publicity regarding this issue. You people haven't told us what the plan is with the basins so there has not been a public reaction. We do not favor development of shorelines in U.P. bodies of water, including the basins. I think the main issue with granting

easements is the license agreement. The license states that proposed plan for the land must be consistent with the purpose of protecting and enhancing recreational and environmental values. How is an easement going to enhance the value of the land? We'd like to hear more about Naterra's plan, a rep was here last time but didn't give us any idea of what has been proposed for the two basins. If the public is going to react, we need to know.

"Have given report on meetings to our board members, there isn't too much feedback at this point."

UPPCO representatives introduced themselves and Susan Finco went over the agenda.

Presentation by Shawn Puzen on Goals and Objectives for SMP

There are guidelines provided by FERC regarding the SMP process. There are steps we must go through before any development. One step is to gather information, which we are doing with the environmental studies. Another is to work with relevant agencies to develop goals and objectives. The document passed around is the current set of goals and objectives, which you are free to comment on. It is a living document, therefore subject to change. We also may need to change it based on results of environmental studies.

The relevant agencies involved in developing these goals and objectives include the National Park Service, Michigan DNR, Michigan DEQ, Department of Fish and Wildlife Services, the Forest Service, the Great Lakes Indian Fish and Wildlife Commission, FERC and the Keweenaw Bay Indian Community. Relevant agencies were selected based on their involvement in developing the licenses. Getting these groups involved help us to define terms like old growth forest.

The process of developing this document began in May. We received an email suggesting we develop goals and objectives for the SMP. We met May 8 and decided in the following meeting, UPPCO would take a look at the proposed goals and objectives and then provide a draft prior to the June 13 meeting. In June 13 meeting, FERC was on conference call with us, and we went through these and worked on the wording to be consistent with the concerns. We added introduction and purpose and had a final draft on June 19, it was then sent to the relevant groups. This document is intended to provide guidance to the concerns of the SMP.

Introduction – This is basically UPPCO's thoughts, not part of the relevant agencies thoughts. UPPCO felt it needed to get some things down on paper. As you're aware, UPPCO is selling non-project lands, it doesn't intend to own any non-project land. We have projections of dollar values on these lands. This doesn't require us to develop every square inch of land we own and plan to sell. If we can meet or exceed the financial goals for this property, it will allow us to set aside other pieces of land to conserve. We only intend to develop enough land to meet our financial goals, if it can be done on a smaller portion of property, so be it.

Purpose of SMP Plan – We used the same wording as Michigan agencies used in their draft. We also thought when were developing this that we need to define some terms: live vegetation and shoreline facilities.

Many of the goals and objectives start with words like avoid, minimize, etc.; there was a lot of thoughts put into those words. These words came from standard language used in federal processes. That's what the group felt was relevant because the goals and objectives can't be met fully and completely.

Goal 1 – A concern of the resource agencies was the impact on aquatic habitat. UPPCO would like to pursue the use of docks – where, how many and what type have not been decided and won't be until environmental studies are released and we go through SMP process and are approved by FERC. In the objectives, words 'if any' are used. 'If any' is important because certain ideas of what it would like, it's not all our decision.

Goal 2 – There are shoreline erosion requirements in almost all licenses – this mirrors the requirement of current license.

Goal 3 – We used the word 'protect' because the group felt it was more appropriate, specifically the DEQ, who proposed we use that term.

Goal 4 – Avoid introduction of nuisance or invasive species – all the licenses talk about purple loosestrife and Eurasian milfoil.

Goal 5 – Want to concentrate new shoreline facilities in areas that already have them.

Goal 6 – Site and design, 'if any.' Also talks about removal of dead, diseased and dying trees, which pays attention to wildlife habitat also.

Goal 7 – DEQ suggested again using 'protect' instead of 'avoid' or 'minimize' because of the laws regarding wetlands.

Goal 8 – Minimize impact on wildlife and avian species.

Goal 9 – We had proposed using 'protect' for the endangered and threatened species, but the Fish & Wildlife Service felt more appropriate to use 'avoid' because the current uses have some impacts.

Goal 10 – Avoid negative impacts on recreational value and public use – examples: walking access, maintained but not enhanced in order to protect habitat.

Goal 11 – Exists in every license, there is a special process for these actions that UPPCO is proposing for the non-project land.

Comments and Questions on Mr. Puzens Presentation

"Regarding goal 4 – What is considered invasive species that could be here and is there any on your project land right now?"

UPPCO comment: One that comes to mind is garlic mustard in the Au

Train basin. It is a woodland invasive species, is edible, believe gardeners introduced it. The control method is to go out and hand pull it and dispose of it. We went out a few weeks ago and pulled garlic mustard and burned it, trying to minimize spread of it in Au Train. It's been there for 50 some years.

"How many acres of non-project land is UPPCO looking to dispose of?"

UPPCO comment: 7,300 acres on all 6 projects.

"The license agreement has specific wording that does not match the wording in this document. The license doesn't say 'minimize' anywhere, it says 'enhance and protect.'

This is not consistent with license agreement."

UPPCO comment: What does 'enhance and protect' mean? The point of this document is to try to give more clarification to what those words really mean. It means different thing to different people. FERC is required to balance all uses of project land, including power, environmental, recreational. It's the same argument as should jet skis be allowed in the lake. Lots of people don't like them and lots of people do. This is one step closer to defining those words. It is a recreation use.

"I would say protect and enhance means everything you do in these projects should be to protect and enhance, but none of these uses suggested will protect and enhance. All the places that say minimize and avoid should be changed to protect and enhance."

"It is true some land will be set aside if financial goals are met, correct?"

UPPCO comment: Yes, some will get set aside from development.

"Who will get it?"

UPPCO comment: Depends on the use of the property. A sale to conservation groups could be one intended use.

"Two things are defined – live vegetation doesn't need to be defined, I think that is pretty clear. I didn't know what forage is, so I looked it up. It looks like you didn't include grass or fungi."

UPPCO comment: You're trying to micro analyze a process or document that is intended not to exclude something, but trying to give guidance. I'm sure you can find lots of things that aren't included in here that need to be considered and some will come out when environmental study results are received. It doesn't pay to debate because the whole idea of SMP is to get information on what it means to protect and enhance, what is old growth, what is acceptable recreation, etc. Another thing we will deal with is one group may want more access to a place and one group may want little to no access to a place. That's what this is designed to do, to get input on what it means to protect and enhance.

"Regarding goal 4 – I don't know how you can avoid Eurasian milfoil, it's everywhere.

Are you going to take steps to get rid of it?"

UPPCO comment: We have to cooperate with license. We have monitoring program and every 3 years we monitor Eurasian milfoil and every year we monitor purple loosestrife. In the case of Au Train, we have identified purple loosestrife, controlled and cut and it has not come back. There's where this comes from, continuing that aggressive program. We can't stand on the dock all day and check every boat, that's why we need signs. You try and stop the spread but it has the tendency to become inevitable.

“After reading the introduction, I understand what I’m doing here. Do you expect local governments to approve this development?”

UPPCO comment: We went to the state, issued a press release saying we wanted to divest of land, had inquiries from developers, no interest from DNR. Went back in 2004, same response, then again in 2005, we got more interest from the development community, that’s when we started talking.

“So the public could have bought this land and didn’t want to?”

UPPCO comment: Yes, that is accurate. It costs UPPCO time and money to keep this land. The rates for our electric customers are going up and as we look to the future, we need to divest of the excess land.

“Will it all be developed?”

UPPCO comment: No, that was said in the introduction, if the financial goals are met, we can set some aside.

“Regarding the intro – everything has to do with money. I think there are other ways UPPCO could do better with what they have to meet goals and objectives besides developing it. Like in goal 6 – (minimize impact on aesthetic quality of the shoreline) – it is not possible to do that and develop the land. Same with goal 10 (avoid impact on recreational value and public access). If UPPCO needs money, there are other things they could do.”

UPPCO comment: Such as?

Several different focus group comments on this issue:

“Forestry, east side of basin probably hasn’t ever been cut. Paying to use the lake. Maybe UPPCO needs a campground or whatever. You could make money forever instead of a onetime sale.”

“I can see where you’re coming from, if you divest the land, you divest costs of owning it. I’m writing a check every month to you guys and it just went up this month.”

“A rate decrease is short-term. Yes you can divest and not have to pay taxes anymore, but the profit from the sale will not effect you very long. Conservation lands – no idea what lands could be preserved and how. You said you contacted the state but how many times did you go to the forest service? Did you get the letter from the Ottawa State Forest saying they were interested in buying?”

UPPCO comment: Yes.

“The state has too much land, people would like the forest service to have this land. We could do this is we start now. The nature conservancy said they were interested and never heard from you and then bam, it’s all sold to Naterra. You were quoted in Mining Gazette saying all land sold and bids closed.”

UPPCO comment: If it all goes to Naterra, Naterra will set aside land.

Could be direct transfer of land, could be through Naterra. We have consistently said we want conservation.

“Yes, you have said that for years, you gave me the impression that it was would be done with some economic benefit to the communities, but then bam, everything to Naterra and it was a done deal. If we’re serious about trying to save the land, that should be in the process. We are

looking for support from federal government when we face losing the basins. According to the license, you can't do, you're giving the public the impression you can do whatever you want."

UPPCO comment: I didn't present it that way, I think the rest of the people here can remember. That as the basis of the environmental studies, to try and demonstrate that. Also said FERC has told us they would not grant us anything without a 60-day review.

"You're trying to convince the public this is not a done deal but if someone came into this, they would have the wrong impression."

UPPCO comment: This probably wouldn't be brought up if we didn't have a focus group. You take information we give and put it out to your constituents. I have no control over what you tell them. Out of all the property UPPCO has, what do you think should be conserved?

"I'd pick Victoria and Au Train and leave them alone."

(Another group member) *"I don't think government ownership of the land is the answer. State owns 40 percent of our township and doesn't pay taxes, I disagree with that."*

UPPCO comment: Wanted to point out – we have never gotten one call from a conservation group wanting to buy any of this land.

Presentation by Roger Trudeau and Greg Egtvedt on Peshtigo River Development

From Roger:

At the first meeting, it was suggested to give more information on Peshtigo River development. We have six hydro electric facilities on this river. In 2001, the WDNR approached WPS about buying land in the northwest end for purpose of creating the Tommy Thompson State Park. There are very little state parks in WI, they wanted one to honor Gov. Thompson. Also the State did not have access to Caldron Falls, so they approached WPS with the idea of buying that parcel. It was suggested, what about buying almost all of the 12,000 acres, including FERC project lands. But WPS would like to keep some of it to sell to private buyers to raise some funds. We came to an agreement to sell the land in phases over four years. WPS would retain 400 acres for private development. DNR made first payment in 2001, second in 2004 and then in 2005.

The approach took to develop non-project use of project land is contained in a license agreement. It provided three things consistent with land use article. Allowed for vegetation removal to create view corridors within natural shoreline. Allowed access to path and dock placement. Those easements were granted on an individual basis. 97 lots were sold at auction, each granted an easement.

Auction sale was concluded at end of 2004. Of the 97 lots, 10-15 of the lots have building construction. WPS is responsible for the applications for docks, vegetation removal, removing trees, etc. Property owners are responsible for compliance with the agreement. Non-compliance can result in termination of easement. We have terminated one easement so far.

From Greg:

There is a regulatory process from FERC. There was actually a license amendment because these lands were in FERC project boundary. Wisconsin tax laws are different, not subject to property taxes or gross receipt tax. We did an application and have the 200 foot shoreline boundary,

worked many months to put this together. Each hydro facility has a separate license, each license has a standard land use article. We were granted an amendment with conditions.

Comments and questions regarding Peshtigo development

“90 percent of Peshtigo property purchased by the state, that is pretty good. But a criticism – if I were a landowner, I could look across the lake and there would be no lights, but if I were a camper, I would have to look at lights, not as pristine and natural.”

UPPCO comment: It would have been an advantage to put it all in one area but the DNR wanted us to concentrate on areas adjacent to other developments to have consistency.

“My mom and dad bought a place on a reservoir, and on the other side of the lake they were told it would never be developed. You could look across and it was beautiful, but within years there was development – dogs barking, lights, docks, boats, etc.”

“Talking about taxes, why can’t UPPCO make the land into commercial forest reserve for cheaper taxes?”

UPPCO comment: Don’t have answer for that, I can find out.

(Another focus group member) *“I have the answer – UPPCO is not eligible for that. You would have to manage the land as a commercial forest.”*

UPPCO comment: And we don’t do that because we are an electric company.

“How did the boundary around Au Train become 200 feet?”

UPPCO comment: There are multiple classes in FERC licenses. Because this land was considered minor project, doesn’t have boundary, has buffer and 200 feet is actually the FERC standard. FERC’s primary concern is with the reservoir.

“When Cleveland Cliffs had that land, they probably had wanted to dam up that river and make a lake. They got profits and the land was for public and recreational use. Now all the sudden it’s just 200 feet around the lake, what happened the land we were promised by Cleveland Cliffs?”

UPPCO comment: That came about in a time when land was turned over on tax default and often times a company would buy more than necessary. I don’t know case of

Au Train, but that is why there is often more land associated with these projects than what is necessary for the reservoir.

“So they bought what they had to buy for that project.”

UPPCO comment: The dam was rebuilt and at Au Train – one of the few projects with dams on both sides.

“Should this area be developed? The state of Michigan has admitted they don’t know what they own, so I don’t know how they can take on more land. Don’t know if that is a good answer, but I don’t know if development would be good either. Hopefully not.”

“About issue of ownership, I think we lost track of the purpose of taxes. State land has no taxes. Once you sell to a private party, the state has to provide services for them. A larger tax base to cover costs doesn’t work. Regarding Peshtigo, did WPS sell land themselves or use a broker?”

UPPCO comment: For the Peshtigo River sale WPSC used Shroeder Westchester, and auction firm.

“Are you selling all your land in the state of WI?”

UPPCO comment: In the process, yes.

“Are you using Naterra in WI?”

UPPCO comment: No.

I thought the question was “are you dealing with Naterra”? To which I responded “no”. The clarified answer should be, “while WPSC has no contract with Naterra for the sale of it’s Wisconsin excess hydro lands, WPSC and Naterra have been working to rezone and develop property in Lincoln County, Wisconsin. WRPCO, a WPSR subsidiary has sold land to Naterra.

“There are six dams on the Peshtigo River; do you have a problem with operation in this kind of weather?”

UPPCO comment: Yes, Peshtigo River is very small. Because of the drought, it loses more evaporation than what is coming down the river.

Focus group member comment on issue from last meeting:

“I read the Au Train License, the MDNR did suggest project land but FERC didn’t go along with it. Reading the license, I came across CLMP – Comprehensive Land Management Plan. Under private use guidelines there are authorized and unauthorized uses – one of the unauthorized uses is docks. No docks allowed on Au Train? Are there any other plans that have in writing that there are no docks allowed?”

UPPCO comment: Probably Cataract. Whichever has that guideline. A lot have the same, written at the same time.

UPPCO comment: Regarding the comment about how you’re waiting for us to tell you plans for development. There is a process to this and the current process is to get input and feedback from focus group members. We also have to await results of the environmental studies. This is a funneling process and to give you plans for development before other steps are completed would be premature.

Closing Remarks: Facilitator

We should be receiving results of the environmental studies soon – there will be a 30-day comment period. Aug. 8 is the open house here at Tailwinds. Next focus group meeting is Aug. 31, same place, same time.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 30
28 July 2006
PRESS RELEASE – AUGUST PUBLIC MEETINGS

UPPCO SCHEDULES OPEN HOUSES TO PRESENT RESULTS OF ENVIRONMENTAL STUDIES FOR HYDROELECTRIC PROJECT LANDS

HOUGHTON MI – Upper Peninsula Power Company (UPPCO), a subsidiary of WPS Resources Corporation (NYSE:WPS), will host open houses at two locations to provide information regarding the results of its environmental studies for hydroelectric project lands. The studies will form the basis for UPPCO's project lands Shoreline Management Plans, which will be developed following a public comment period on the environmental studies. The actual non-project uses of project land (public and private docks, walkways, paths, etc.) are not yet formulated and therefore will not be a topic for discussion at the Open House meetings.

The meetings will also focus on the methodology used in preparing the environmental studies as suggested by resource agencies such as the U.S. Fish & Wildlife Service, Michigan DNR, and others.

The first Open House, which will focus on the studies at Bond Falls, Victoria, and Prickett, will be held on Monday, August 7, from 6:00 PM to 8:00 PM (Eastern) in the cafetorium at the Ewen-Trout Creek School in Ewen MI. The second meeting on the AuTrain, Boney Falls, and Cataract studies will be held on Tuesday, August 8, from 6:00 PM to 8:00 PM (Eastern) at Tailwinds Bar & Grill at K. I. Sawyer.

Topics to be discussed

"We'll discuss the results of the environmental studies that were conducted on wildlife and aquatic habitat, loon habitat, recreational resources, and aesthetic resources," said Shawn Puzen, Environmental Consultant. "We know people are equally interested in the development plans and potential proposals for docks and other shoreline uses. However, we're not in a position to discuss those issues yet. Those plans won't be developed until all the comments on the environmental studies are in so they can be considered in the plans. We'll schedule more public meetings after the shoreline uses are proposed," he concluded.

At the August 7 and 8 meetings, and through August 28, UPPCO will accept written public comments concerning the results of the environmental studies. Each comment submitted will be addressed in UPPCO's future proposal to FERC.

Interested parties are encouraged to visit UPPCO's Web site at www.uppco.com (under the sold land link,) to review the scopes of the environmental studies, the results of the studies, and minutes of previous public meetings and focus group meetings.

Meeting Format

As previously mentioned, both open houses will begin at 6:00 PM (Eastern). The first half hour will allow attendees to review displays, maps, and other graphic information and become familiar with the scope of the studies. Presentations will begin at 6:30, followed by

an open question and answer period. At 7:30, the presentation period will adjourn to allow time to visit the tables for one-on-one discussions, individual questions, and a closer look at visual materials. Any questions not addressed in the allotted time can be submitted on cards and will be addressed on UPPCO's Web site

Public Comment on environmental studies

UPPCO will accept written comment at either of the two public meetings or by mail to:

UPPCO Environmental Studies
c/o Janet Wolfe
PO Box 130
Houghton MI 49931

Comments should address specific issues addressed by the environmental studies and be postmarked by August 28, 2006.

Upper Peninsula Power Company – Boney Falls (FERC NO. 2506)
LAND SALES CONSULTATION DOCUMENTS

Attachment 31

28 July 2006

**COVER LETTER FOR MAILING OF ENVIRONMENTAL ASSESSMENTS
TO EASTERN AND WESTERN FOCUS GROUPS ET AL.**

July 28, 2006

Mr. Rusty Atherton
PO Box 33
Au Train MI 49806-0033

Dear Rusty:

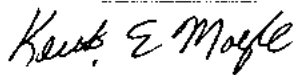
Enclosed is a copy of the environmental assessments for AuTrain, Boney Falls, and Cataract. These are being sent to all focus group members, alternates, and the resource agencies today.

Although the report will be available on UPPCO's Web site, we're sending you an individual copy to save you time and effort. Your copy and the copy on the Web site are complete and unabridged except for some information on endangered species that had to be redacted, because federal law doesn't allow it to be disclosed to the public. The redacted information will be provided to the relevant government agencies for their use in the consultation process.

We look forward to seeing you at the Tuesday, August 8, open house being held at Tailwinds at K. I. Sawyer. Displays will be set up at 6:00 PM (Eastern) for review prior to the presentations, which will begin at 6:30. An open question-and-answer period will follow the presentations, and at 7:30 we'll adjourn and return to the displays for one-on-one conversations, individual questions, and a closer look at the visual materials. Any questions not addressed in the allotted Q&A time can be submitted on cards and will be addressed on UPPCO's Web site.

The presentations will cover the results of the environmental studies conducted on wildlife and aquatic habitat, loon nesting, recreational resources, and aesthetic resources. We won't be in a position to discuss the Shoreline Management Plan (SMP) at these sessions. The SMP will be the subject of a future public open house and will be formulated from the study results, the agency consultation process and public comment.

Sincerely,



UPPCO General Manager

6E:1 W 5-300 4116