



RESOLUTION NO. 6558

**RESOLUTION AFFIRMING PATH FOR CONTINUED
PROGRESS ON HYDROELECTRIC PROJECT FOR
POWELL FALLS AND JUNCTION FALLS FACILITIES**

WHEREAS, the Utility Advisory Board advises the Common Council of the City of River Falls to adopt the Resolutions No. 6234, 6292, and 6389 (each a “Resolution” and collectively, the “Resolutions”), relating to relicensing and decommissioning, respectively, of the Junction Falls and Powell Falls facilities (the “Hydroelectric Project”);

WHEREAS, the City has worked toward implementing the Hydroelectric Project consistent with the Resolutions; and

WHEREAS, since the adoption of the Resolutions, the following has occurred related to the Hydroelectric Project:

1. A rainstorm caused a flood on the Kinnickinnic River during June 28 - 29, 2020 that damaged the existing Powell Falls dam; and
2. The Federal Energy Regulatory Commission (“FERC”) approved a temporary drawdown of the impoundment (Lake Louise) in October 2020 for a dam safety inspection; and
3. The December 22, 2020, Post-Flood Dam Safety Inspection and Repair Options Letter for Powell Falls filed with FERC outlined the following action options:
 - a. Option 1: Repair the dam and refill the Powell Falls impoundment, restoring power generation until a final decision is granted regarding proposed dam removal in 2023.
 - b. Option 2: Keep the Powell Falls impoundment drawn down in the current state but do not fix the gate nor pull the turbine.
 - c. Option 3: Keep the Powell Falls impoundment drawn down in the current state but fix the gate and pull the turbine.
 - d. Option 4: Keep the Powell Falls impoundment drawn down and add more flow capacity by opening up a new passage route for runoff to exit the dam.

- e. Option 5: Proceed with full dam removal (accelerated ahead by two years from schedule presented in January 2020 Initial Study Report)
4. The foregoing options were presented at a Joint Workshop with the Common Council and Utility Advisory Board on January 19, 2021. Staff suggested they were looking to proceed with Option 3, as it most closely aligned with previous project direction in light of the post drawdown conditions, further defined below:
 - a. Keep Lake Louise drawn down, fix the gate, and remove the turbine to enhance flow capacity.
 - b. Initiate sediment removal downstream of dam after approvals from state and federal agencies are granted.
 - c. Remove Powell Falls from the FERC license and decommission the project. Decommissioning will include turbine removal and decommissioning the powerhouse and appurtenant facilities, excluding dam removal.
 - d. Apply under state jurisdiction to remove the Powell Falls dam after FERC approves the removal of Powell Falls from the FERC license.
 - e. Site restoration is expected to be complete in 2026.

WHEREAS, a FERC amendment will be required for Option 3, as the impoundment will not be refilled, and power generation will not resume at Powell Falls, City of River Falls Municipal Utilities will file a FERC amendment application for the decommissioning of the Powell Falls Development and removal from the FERC license; and

WHEREAS, state and federal agency approvals will be required for sediment and dam removal, City of River Falls Municipal Utilities will work with agencies to obtain appropriate permits prior to initiating work in wetlands and waterways; and

WHEREAS, the added step of expenditure review for hydroelectric expenses was primarily to avoid spending more money on repairs than would be recouped in the short-term life of the lower dam; and in conjunction with outlined option 3, the lower hydro will be removed from service, the limitations in Resolution No. 6234 related to requiring Utility Advisory Board or Common Council approval for expenditures in the amounts below the typical purchasing policy may be removed.

NOW, THEREFORE, BE IT RESOLVED, that staff recommends that the Utility Advisory Board advise the Common Council of the City of River Falls to ratify and approve the actions which have occurred since the adoption of the Resolutions and further approves the following additional actions, as follows:

1. Maintaining the drawdown of Lake Louise.

Resolution No. 6558 Affirming Path for Continued Progress on Hydroelectric Project for Powell Falls and Junction Falls Facilities

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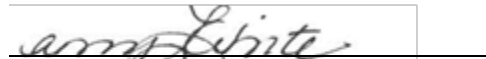
2. Initiating the decommissioning and removal of the Powell Falls Development from the FERC license through a FERC amendment application.
3. Applying under state jurisdiction for removal of the Powell Falls dam.
4. Expenditure of additional funds for the FERC Non-Capacity License Amendment (TRC & Ayres) as noted in the memorandum.
5. Acknowledging that further expenditures beyond those currently authorized in this resolution and previous resolutions will now follow standard City purchasing policies and procedures.

Dated this 23rd day of March 2021.



Dan Toland, Mayor

ATTEST:


Amy White, City Clerk