UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

September 8, 2008

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

RE: Draft Environmental Impact Statement for License Amendment, Holtwood Hydroelectric Project (FERC Project No. 1881-050), Lancaster and York Counties, Pennsylvania (CEQ No. 20080279)

Dear Ms. Bose,

In accordance with the National Environmental Policy Act (NEPA), Section 309 of the Clean Air Act, Section 404 of the Clean Water Act (Section 404), and the Council on Environmental Quality (CEQ) regulations implementing NEPA (40 CFR 1500-1508), the U.S. Environmental Protection Agency (EPA) has reviewed the Draft Environmental Impact Statement (EIS) for amendment to license the Holtwood Hydroelectric Project, referenced above. EPA does not object to the project, but recognizes potential for environmental impact to aquatic resources including water quality and wetlands. The document is considered an EC-2: there are environmental concerns and it is recommended that additional information be added to the EIS; our rating system is attached and can be found on the EPA website, at the following address: http://www.epa.gov/compliance/nepa/comments/ratings.html.

It is clear that considerable effort has been made to address fish passage issues on the Susquehanna River present at the existing Holtwood facility. EPA appreciates that extensive coordination has been made with the Pennsylvania Department of Environmental Protection (PA DEP) and the US Fish and Wildlife Service (FWS). Other resource issues received less attention in the Draft EIS, in particular, wetlands and plans to protect water quality and aquatic resources during sediment and bedrock excavation. Additional information is requested for wetland delineation, plans for excavation of sediment and bedrock, sediment sampling, potential alternatives and comparison of impacts of excavation and blasting plans, and a record of environmental impact minimization effort. Environmental sampling of and around the old coal-fired electric plant would seem necessary and prudent, though it does not appear to be included in the expansion plan. It is suggested that discussion of secondary and cumulative impacts could be expanded in the Final EIS. Specific comments and requests for additional information for the Draft or Final EIS are attached to this letter.

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

EPA appreciates the opportunity to review and comment on the Draft EIS for the Holtwood Hydroelectric project. Please feel free to contact Ms. Barbara Rudnick at (215) 814-3322 or email her at rudnick.barbara@epa.gov if there are questions regarding comments presented.

Sincerely yours,

William Arguto
NEPA Team leader

Attachment

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

Technical Comments

1. In review of the Draft EIS, it was noted that it is never stated that the document is prepared with consideration or in accordance with NEPA. An explanation of the regulatory origin of the study would be useful.

2. In regard to wetlands, it is recommended that a map showing natural resources be included in the document. Information from the wetland Jurisdictional Determination performed for the Section 404 application, including discussion of resource function and values, and efforts made to avoid and minimize impacts to these aquatic resources, would be useful. (The document inappropriately classifies wetlands as terrestrial resource, page 80). Any mitigation considered for wetland impacts will need to be proposed and reviewed by the US Army Corps of Engineers (Corps). It was unusual to see comments on mitigation from FWS, without seeing associated information from coordination with the Corps.

3. EPA requests that additional information be included in the Final EIS regarding excavation of sediment, bedrock and blasting. Mapping can be included to show areas that are expected to be disturbed, with estimates of volumes anticipated to be removed. Habitat associated with these areas should be evaluated, quantified and presented to the public and resource agencies via the EIS. It is strongly recommended that the Final EIS include plans for excavation that have been filed with the PA DEP in order for the environmental impact assessment process to disclose potential impacts on water quality, fisheries and wildlife, and proposed mitigation, considered in decision making for this project. Comparison of impacts should be made between possible excavation alternatives, when applicable. Efforts that will be employed to minimize environmental damage, control sediment release, and risk to water quality should be developed and disclosed in the FEIS.

   It is questioned if, or at what level, sampling of sediment will be done prior to removal in order to evaluate potential effects of releases during proposed excavation, and for proper disposal.

   Details of where blasting will be performed, under wet or dry conditions, should be specified to the extent possible in the FEIS. Plans that would reduce impacts of blasting on fisheries (in addition to time of year restrictions) should be included; consideration could be given to innovative methods employed on such projects as the construction of the Woodrow Wilson Bridge (bubble curtains were used on the Potomac River, in Washington DC, Maryland, and Virginia, and could have potential application to this project).

   Is there any expectation that dredging will be necessary in the future to maintain the facility operations?

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

4. It is unclear if the old coal-fired electric station has already been removed, or if this is a planned activity. Environmental sampling would be recommended to determine if hazardous material such as PCBs or asbestos are present in the old facility.

5. Environmental impacts of changes proposed for recreational facilities (for instance to shoreline buffer, forest, wetlands) do not appear to be included in the EIS.

6. Maps showing potential haul roads for construction and sediment and bedrock disposal, temporary sediment and erosion control basins, or longer term stormwater management basins should be included in the Final EIS, if available, along with potential resource impacts to forest or wetlands by these facilities.

7. Any effort to include low impact development designs for stormwater infiltration at the Holtwood facility, parking area, or at recreational facilities within the scope of the project should be highlighted, and would be appreciated.

8. It would be helpful to attach agency review letters, including those from FWS, PA DEP and PA FBC in an appendix to the EIS.

9. The secondary and cumulative impacts to resources affected by the proposed Holtwood Project have been evaluated to a limited extent in the Draft EIS. A figure would be helpful to show the geographic scope selected for the resources. Resources selected for analysis were water quality and fisheries; it is unclear why wetlands and forest resources were not considered in the evaluation. The document gives sufficiently detailed discussion of DO, as the primary water quality parameter identified, though other water quality parameters are mentioned only briefly. Background trends were not presented or developed for resources, including water quality or fisheries, which could show historic changes in water quality, fisheries condition, wetlands acres or functions, forest or terrestrial habitat, over several decades. Unavoidable adverse effects are mentioned for sediment and fish (through entrapment), but are given little discussion in terms of historic trends analysis or impacts by other projects in the study area.

   Cumulative impacts should include impacts to resources from any reasonably foreseeable future action. It is unclear that the study attempted to gather information on projects, such as roads, commercial or residential development, increase in impervious surface, etc which could effect water quality, fisheries (such as through water quality degradation, temperature changes, flood or runoff conditions), wetlands or forest in the geographic area selected for cumulative effects analysis.

   The document fails to mention any secondary impacts of re-construction and expansion of the facility.

Printed on 100% recycled/recyclable paper with 100% post-consumer fiber and process chlorine free.
Customer Service Hotline: 1-800-438-2474

RATING THE ENVIRONMENTAL IMPACT OF THE ACTION

- **LO (Lack of Objections)** The review has not identified any potential environmental impacts requiring substantive changes to the preferred alternative. The review may have disclosed opportunities for application of mitigation measures that could be accomplished with no more than minor changes to the proposed action.
- **EC (Environmental Concerns)** The review has identified environmental impacts that should be avoided in order to fully protect the environment. Corrective measures may require changes to the preferred alternative or application of mitigation measures that can reduce the environmental impact.
- **EO (Environmental Objections)** The review has identified significant environmental impacts that should be avoided in order to adequately protect the environment. Corrective measures may require substantial changes to the preferred alternative or consideration of some other project alternative (including the no action alternative or a new alternative). The basis for environmental Objections can include situations:
    1. *Where an action might violate or be inconsistent with achievement or maintenance of a national environmental standard;*
    2. *Where the Federal agency violates its own substantive environmental requirements that relate to EPA's areas of jurisdiction or expertise;*
    3. *Where there is a violation of an EPA policy declaration;*
    4. *Where there are no applicable standards or where applicable standards will not be violated but there is potential for significant environmental degradation that could be corrected by project modification or other feasible alternatives; or*
    5. *Where proceeding with the proposed action would set a precedent for future actions that collectively could result in significant environmental impacts.*
- **EU (Environmentally Unsatisfactory)** The review has identified adverse environmental impacts that are of sufficient magnitude that EPA believes the proposed action must not proceed as proposed. The basis for an environmentally unsatisfactory determination consists of identification of environmentally objectionable impacts as defined above and one or more of the following conditions:
    1. *The potential violation of or inconsistency with a national environmental standard is substantive and/or will occur on a long-term basis;*
    2. *There are no applicable standards but the severity, duration, or geographical scope of the impacts associated with the proposed action warrant special attention; or*
    3. *The potential environmental impacts resulting from the proposed action are of national importance because of the threat to national environmental resources or to environmental policies.*

RATING THE ADEQUACY OF THE DRAFT ENVIRONMENTAL IMPACT STATEMENT (EIS)

- **1 (Adequate)** The draft EIS adequately sets forth the environmental impact(s) of the preferred alternative and those of the alternatives reasonably available to the project or action. No further analysis or data collection is necessary, but the reviewer may suggest the addition of clarifying language or information.
- **2 (Insufficient Information)** The draft EIS does not contain sufficient information to fully assess environmental impacts that should be avoided in order to fully protect the environment, or the reviewer has identified new reasonably available alternatives that are within the spectrum of alternatives analyzed in the draft EIS, which could reduce the environmental impacts of the proposal. The identified additional information, data, analyses, or discussion should be included in the final EIS.
- **3 (Inadequate)** The draft EIS does not adequately assess the potentially significant environmental impacts of the proposal, or the reviewer has identified new, reasonably available, alternatives, that are outside of the spectrum of alternatives analyzed in the draft EIS, which should be analyzed in order to reduce the potentially significant

environmental impacts. The identified additional information, data, analyses, or discussions are of such a magnitude that they should have full public review at a draft stage. This rating indicates EPA's belief that the draft EIS does not meet the purposes of NEPA and/or the Section 309 review, and thus should be formally revised and made available for public comment in a supplemental or revised draft EIS.