



**Minneapolis
Park & Recreation Board**

Administrative Offices
2117 West River Road
Minneapolis, MN 55411-2227

Operations Center
3800 Bryant Avenue South
Minneapolis, MN 55409-1000

Phone
612-230-6400

Fax:
612-230-6500

www.minneapolisparcs.org

President
John Erwin

Vice President
Liz Wielinski

Commissioners
Brad Bourn
Bob Fine

Carol A. Kummer
Jon C. Olson
Anita Tabb
Scott Vreeland
M. Annie Young

Superintendent
Jayne Miller

Secretary to the Board
Julia M. Wiseman



August 14, 2013

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

**RE: Project No. 11175-024 – Minnesota Crown Mill
Hydropower Project**

Dear Secretary Bose:

On June 14, 2012, you issued a “Notice of Initiation of Proceedings to Terminate License By Implied Surrender and Soliciting Comments and Motions to Intervene in This Project.” The Minneapolis Park and Recreation Board (“Park Board”) submitted comments on this proceeding on July 19, 2012 in support of terminating Crown Hydro, LLC’s (“Crown”) license. It is our opinion that the license granted to Crown in 1999 by the Federal Energy Regulatory Commission (“FERC”) should be terminated. The long history of this project has demonstrated that Crown has not been able to effectuate their plans. In fact, Crown has a demonstrated history of being unable to work with local governments, state and federal agencies, local residents, businesses and other concerned parties to accomplish the project.

Crown’s latest attempt to style a completely new project as a license “amendment” is disingenuous at best. Crown has proposed a completely new project on a new site that requires a new headrace, tunnel and tailrace, and it should be considered as such.

Crown originally conceived a project to revitalize in an old milling area using an extant building, tunnels, and tailrace as a means to produce hydro power at St. Anthony Falls in Minneapolis. The core of this idea was to use an existing tunnel and tail race to proved power in an area that the Park Board and others had already begun to revitalize. At first, the Park Board was willing to potentially collaborate on such an effort, provided Crown not seek to use Park Board land without complete agreement of the Park Board. Crown has now come forward with an idea to locate a new powerhouse and create a new tunnel on U.S. Army Corps of Engineers (“USACE”)

lands underneath the nationally historic James J. Hill Stone Arch Bridge. The Park Board is an interested party in Crown's proposal since it owns the top surface of the Stone Arch Bridge and has invested millions of dollars in its renovation, design, operation and maintenance. We also own and maintain much of the area surrounding Crown Hydro's proposed project site, and any development in this area will undoubtedly impact Park Board land and park users. Crown's proposal will require involvement of the Minnesota Department of Transportation, which owns the Stone Arch Bridge itself.

Crown Hydro's latest submission is not an amendment to a license: it is a completely new, unstudied, and potentially ill-conceived idea that raises far more questions than the previous proposal. At this point, FERC should terminate Crown's existing license. If Crown wishes to pursue an entirely new project on entirely new land with an entirely new tunnel and other facilities, they should abide by all the existing requirements of FERC for a new license application. Any other attempt to permitting Crown on USACE lands under nationally historic assets is an attempt to circumvent FERC rules. Therefore, the Park Board requests that FERC terminate the license that was granted over fourteen years ago to Crown and be done with that project.

The Park Board believes the course proposed by Crown in its June 12, 2013 letter is a completely inappropriate means to deal with what is a new project in a new location that creates a new tunnel that has endless complications for this sensitive area. I have reviewed Crown's letter dated June 12, 2013 wherein they propose a schedule with consultation and timeline for filing an application for an amendment of the license. I find that their proposed schedule for such a major new project is both immensely shallow and extraordinarily brief. Crown claims that they have been consulting with the USACE for over one year on this new project. I seriously question whether or not a consultation period of four months with the USACE for the multitude of issues raised in Mr. Edward A. Abrams's letter of April 15, 2013 is sufficient to address these concerns.

Given the myriad of issues raised with Crown seeking the use of USACE lands, I am also dubious that the consultation can be accomplished in the period laid out and concerned that the public and other interested entities cannot be provided with the information necessary to fully evaluate the project. Crown's proposed schedule in its June 12, 2013 letter has an overlap between the work that needs to be done with the USACE and the consultation period allowed with the public. Crown suggests a thirty (30) day consultation period for the public. Over six weeks have passed since Mr. Abrams called these shortcomings to Crown's attention, and yet no further information is available to the public on what issues Crown anticipates with these issues.

Even since our comments of July 19, 2012, much has changed in the Central Mississippi Regional Riverfront in Minneapolis. Usership visits in the Central Mississippi Riverfront Regional Park for 2012 were just released. Over 1,600,000 people visit the park area around Crown's proposed new facility in 2012. That is up over 500,000 user visits since the previously available number. Thousands of new housing units have been created in the area in just the last year, with many thousands more scheduled to be built. The Park

Board is engaged in a new comprehensive planning process for this area which will involve the creation of new park amenities in the coming years. All of these developments make hydro production at the Falls of St. Anthony a matter of more acute interest by an ever larger number of stakeholders.

FERC reasonably provided a request for consultation with existing impacted parties in its letter dated April 15 2013. Crown disregarded that request. Instead, Crown introduced their own schedule; their proposed schedule is unrealistic and disregards FERC's prior request. Given the intense interest that the Park Board, other public agencies, and concerned citizens and businesses have with this proposal, Crown's proposed schedule is not only unrealistic, it is unfair to these affected parties as a whole, and disregards FERC's prior request and timeline.

The Park Board maintains its position articulated in its July 19, 2012 letter that Crown Hydro's license should be terminated. We applaud FERC for remaining diligent and rigorous in its requirements of whatever actions Crown would take, and we encourage FERC to apply the strictest standards to whatever proposal Crown puts forth in the next several months. We intend to remain fully engaged on how this project will affect the cultural and natural resources in this most important area.

Very truly yours,



John Erwin, President
Minneapolis Park and Recreation Board

cc: Mr. Donald H. Clark, Counsel to Crown Hydro
Minneapolis Park Board Commissioners
Mr. Edward A. Abrams
Charles Zelle, Commissioner, Minnesota Department of Transportation