Hydrokinetic Pilot Project License Application
Whitestone Poncelet RI SEC Project
FERC No. 13305
Pursuant to 18 CFR § 5.18

April 17, 2012

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Dear Madam Secretary,

On behalf of Whitestone Power and Communications (WPC), I am pleased to submit this application for a Hydrokinetic Pilot Project License for the Whitestone Poncelet RISEC Project located at the confluence of the Delta and Tanana rivers near the community of Whitestone, Alaska. The project would commercially develop a single pontoon-mounted undershot Poncelet waterwheel with a maximum capacity of 100 kW to generate electrical power from the river current. This proposal is based upon the conceptual design completed by Hasz Consulting, LLC for WPC as well as extensive consultation with state environmental agencies, state and federal energy regulatory agencies and local energy producers conducted under Preliminary Permit No. 13305.

WPC is submitting the information required under the guidance of the Commission’s Hydrokinetic Pilot Project Licensing Procedures (April 2007). This material is organized as described below in the Table of Contents.
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WPC has provided, or offered to provide, electronic copies of this draft application to the official project service list, other federal, state, and local resource agencies, non-governmental organizations, and potentially-interested members of the public. WPC has published notice of filing of these materials in local newspapers and is posting this draft license application on its website www.whitestonecommunityassociation.net.

WPC would like to thank the Commission staff for their guidance throughout the preliminary permit period and looks forward to working with the Commission and all interested parties to successfully complete the hydrokinetic pilot project licensing process.

Sincerely,

Steven M. Selvaggio
President
APPLICATION FOR AN ORIGINAL HYDROKINETIC POWER PILOT PROJECT LICENSE FOR THE WHITESTONE PONCELET RISEC PROJECT

FERC Project No. 13305

INITIAL STATEMENT

1. Whitestone Power and Communications (WPC) applies to the Federal Energy Regulatory Commission (FERC) for a hydrokinetic pilot project license, under guidance of FERC’s Licensing Hydrokinetic Pilot Projects whitepaper, for the Whitestone Poncelet RISEC Project as described herein. The project number assigned by FERC to this project is 13305.

2. The location of the project is:
   a. State or territory: Alaska
   b. County: N/A
   c. Township or nearby town: Whitestone
   d. Stream or other body of water: Tanana River

3. The exact name, address and telephone number of the applicant are:

   Whitestone Power and Communications
   P.O. Box 1630
   Delta Junction, AK 99737
   907-895-4938

4. The exact name, address, and telephone number of each person authorized to act as agent for the applicant in this application, if applicable are:

   Steven M. Selvaggio
   President
   907-803-5432

   Steven A. Selvaggio
   Registered Agent
   907-803-3021

   Address for both agents is the same as that for the applicant as listed above.
5. The applicant is a domestic non-profit entity and is not claiming preference under section 7(a) of the Federal Power Act. See 16 U.S.C. 796.

6. (a) The statutory or regulatory requirements of the state(s) in which the project would be located that affect the project as proposed with respect to bed and banks and the appropriation, diversion and use of water for power purposes, and with respect to the right to engage in the business of developing, transmitting and distributing power and in any other business necessary to accomplish the purposes of the license under the Federal Power Act, are included along with, (b) The steps which the applicant has taken or plans to take to comply with each of the laws cited:

7. CONSULTATION AND COMPLIANCE

   a. **Clean Water Act**
      i. **Statutory Regulation**

         Pursuant to Section 401 of the Clean Water Act, as amended, any activity requiring a federal license or permit that may result in discharge into navigable waterways, requires certification from the state that confirms that any such discharge will comply with applicable state water quality standards. This requires WPC to obtain Section 401 Water Quality Certification prior to issuance of the Pilot Project License and a subsequent Letter of Permission from the USACE under Section 10 of the Rivers and Harbors Act. The project is not subject to the auspices of Section 404 of the Clean Water Act since it requires no excavation of the river bed and will have no discharge of any material into the water.

      ii. **WPC Consultation and Compliance**

         WPC has received a Section 10 Letter of Permission from the United States Army Corps of Engineers which precludes the need for a clean water certification since USACE considers the project to have no substantial individual or cumulative effects.

   b. **Endangered Species Act**
      i. **Statutory Regulation**

         Section 7 of the Endangered Species Act (ESA) requires an authorizing or acting federal agency to consult with USFWS/National Marine Fisheries Service (NMFS) on any actions that might affect listed species or their habitats. If the authorizing/acting agency or USFWS/NMFS determines an action is likely to adversely affect a species, formal consultation is required with USFWS or NMFS depending on their jurisdiction over the listed
species. Formal consultation consists of submittal by the authorizing/acting agency of a Biological Assessment (BA) for review by USFWS or NMFS. Upon review of the BA, USFWS/NMFS would each prepare a Biological Opinion (BO) which assesses whether the action is likely to jeopardize the existence of the listed species. The BO may include binding or discretionary recommendations to reduce potential impact. An Incidental Take Statement may be attached to the BO if there is potential jeopardy to the species.

ii. WPC Consultation and Compliance

WPC has been advised by the USFWS that there are no endangered species within the proposed project boundary. A copy is provided in the USFWS section of Attachment A- Communication Records

c. National Historic Preservation Act, Section 106
   i. Statutory Regulation

Section 106 of the National Historic Preservation Act requires federal agencies to consider the effect of federally permitted projects on historic and cultural resources and requires consultation with the Alaska State Historic Preservation Officer (SHPO) prior to authorizing a project. Compliance with Section 106 of the Act also requires consultation with the tribes in the region. FERC typically satisfies Section 106 requirements for license term through Historic Properties Management Plans developed by the applicant in consultation with SHPO or a Programmatic Agreement to which FERC, SHPO and the Advisory Council on Historic Preservation (ACHP) are typically the signatories.

ii. WPC Consultation and Compliance

As part of a separate project conducted with the Denali Commission from 2007–2009, the Alaska SHPO conducted a study of the proposed project area and concluded that there were no historic landmarks or resources within the proposed project location. WPC has received a letter from SHPO confirming that there are no affected historic properties within the project boundary. This location is not part of any tribal lands as shown on the map in Exhibit G.
d. Magnuson-Stevens Fishery Conservation and Management Act
   i. Statutory Regulation

   The Magnuson–Stevens Fishery Conservation and Management Act requires WPC to consult with the National Marine Fisheries Service to determine whether the proposed project will have adverse impacts to the habitat or migratory paths of fish species which are deemed important by NMFS and which are a food resource.

   ii. WPC Consultation and Compliance

   WPC has been advised by the National Marine Fisheries Service (NMFS) that there are no concerns regarding the habitat or safety of species protected under the Magnuson-Stevens Fishery Conservation and Management Act, and that they will not require WPC to develop an Essential Fish Habitat Assessment (EFH). These emails can be found in the in Attachment A - Communication Records, which are organized alphabetically by agency.

e. Coastal Zone Management Act

   This statute is not applicable to the Whitestone Poncelet RISEC Project. WPC received a letter of concurrence from the Alaska Department of Natural Resources. A copy is provided in the DNR section of Attachment A - Communication Records.

f. Alaska Fish and Game Code
   i. Statutory Regulation

   The Alaska Fish and Game Code (AS16.05.817) gives the Alaska Department of Fish and Game (ADFG) the responsibility of protecting the states wildlife resources. As such, this statute grants ADFG the responsibility of issuing permits for projects which have the potential to impact the wildlife population. State law requires WPC to receive a Title 16 permit from ADFG before beginning construction.

   ii. WPC Consultation and Compliance

   WPC has received a Title 16 permit from ADFG. A copy is provided in the DNR section of Attachment A - Communication Records.
g. **Alaska Water Use Act**  
   i. **Statutory Regulation**  

   The Alaska Water Use Act (Title 46) give the Alaska Department of Natural Resources (DNR) the power to adjudicate water usage rights for waters owned by the State of Alaska. This regulation requires WPC to receive a water use permit from DNR prior to deployment of the proposed project.

   ii. **WPC Consultation and Compliance**  

   WPC has received the following Title 46 permit from DNR. A copy is provided in the DNR section of Attachment A - Communication Records.

h. **Alaska Land Act**  
   i. **Statutory Regulation**  

   The Alaska Land Act (Title 38) grants DNR the authority to issue permits for the use of state lands. This statute requires WPC to receive a Land Use Permit from DNR prior to the construction or deployment of the proposed project since the project will be entirely constructed and deployed on state owned land.

   ii. **WPC Consultation and Compliance**  

   WPC has received the following Land Use Permit from DNR. A copy is provided in the DNR section of Attachment A - Communication Records.

i. **Wild and Scenic Rivers and Wilderness Act**  

   This statute is not applicable to the Whitestone Poncelet RISEC Project.

j. **Code of Federal Regulations Navigation and Navigable Waterways (Title 33)**  
   i. **Statutory Regulation**  

   CFR Title 33 gives the United States Coast Guard (USCG) the responsibility of monitoring the nation’s waterways to insure the safety of the public among other concerns. This regulation requires WPC to receive a permit and PATON regulations from USCG prior to deployment of the proposed project.
ii. **WPC Consultation and Compliance**

WPC has received a permit and PATON specification from the USCG. A copy is provided in the USCG section of Attachment A - Communication Records.

k. **Pacific Northwest Power Planning and Conservation Act**

This statute is not applicable to the Whitestone Poncelet RISEC Project.

8. **Brief Project Description**

a. 100 kW

b. Check appropriate box:

- [ ] Existing Dam  
- [ ] Unconstructed Dam

- [ ] Existing Dam, major modified project (see §4.30(b)(14))

- [x] Hydrokinetic Pilot Project

9. **Lands of the United States affected (shown on Exhibit G):**

a. National Forest: N/A

b. Indian Reservation: N/A

c. Public Lands Under Jurisdiction of: N/A

d. Other: N/A

e. Total U.S. Lands: 0

f. Check appropriate box:

- [ ] Surveyed Land  
- [x] Unsurveyed Land

Construction of the project is planned to start within 18 months and be completed within 24 months from the date of the issuance of the license. In no event will construction begin later than 2 years from the issuance of the license.