



Jeremiah W. (Jay) Nixon, Governor • Sara Parker Pauley, Director

DEPARTMENT OF NATURAL RESOURCES

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October 25, 2011

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Room 1A
Washington, D.C. 20426

RE: NOTICE OF APPLICATION READY FOR ENVIRONMENTAL ANALYSIS AND SOLICITING COMMENTS, RECOMMENDATIONS, TERMS AND CONDITIONS, AND PRESCRIPTIONS (P-2277-023)

Dear Secretary Bose:

The Missouri Department of Natural Resources (department) has participated since 2005 to the present in discussions related to studies and evaluations in preparation for relicensing of Ameren Missouri's Taum Sauk pumped storage facility by the Federal Energy Regulatory Commission (FERC).

The department offers the following comments and recommendations.

Environmental Impacts

The department considers the relicensing of this facility to be a highly significant decision in light of the location of the facility, its impact on the environment, its economic value to the region and state, as well as its potential to change fundamentally a landscape, much of it in public ownership, whose primary importance lies in the areas of recreation and preservation of biodiversity. This facility is situated in a virtual sea of public land that represents an incredibly rich resource of great value to the people of Missouri. The department is acutely aware that there has never been a comprehensive Environmental Impact Study (EIS) of this project. The department recommended that an EIS precede the decision to rebuild the facility after the breach of the upper reservoir. FERC made the decision to proceed with that decision based on an Environmental Assessment. The department recommends that this environmental analysis take the form of a full EIS so that the full range of alternatives and environmental impacts may be considered.

Water Management Plan

The department has taken an active role in development of the Water Management Plan (Plan), which embraces an adaptive management approach to achieve a flow regime that mimics natural



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flows to the extent possible through the facility into the East Fork of the Black River (EFBR). We look forward to continuing to be engaged in discussions as the relicensing process proceeds, as the adaptive management process is ongoing and there are a number of issues that remain to be resolved. The department, with Ameren Missouri (Ameren) and the Missouri Department of Conservation (MDC), reached consensus in 2007 on a Final Water Management Plan to be implemented and evaluated during the rebuild period. In addition, the Final Environmental Assessment for Rebuild (8/14/2007) and the Consent Agreement between Ameren and the State of Missouri (1/9/2008) clearly address Ameren's obligations to develop an acceptable Plan during the relicensing process, in cooperation with the state resource agencies. The Plan has been designed to be adaptable to future conditions and calls for ongoing consultation with the agencies. One of the current provisions of the Plan is for Ameren to fund maintenance of a USGS gage. The department expects that the new license will stipulate continuance of this funding by Ameren. The department recommends that the Plan, developed by Ameren and the state resources agencies, be incorporated into the new FERC-issued license for the Taum Sauk Pumped Storage facility.

Water Quality Certification

As part of the relicensure process, Ameren will need to secure a 401 Water Quality Certification from the department. Department staff have had preliminary discussions with Ameren regarding terms and conditions expected to be included in the certification. The certification should include the following conditions:

- Incorporate the Water Management Plan into the 401 Certification.
- Prevent discharges from the Upper Reservoir to nearby streams by constructing a collection system, including a holding pond and pump facility, to redirect any discharge back to the Upper Reservoir.
- Develop a plan to address turbidity issues in the lower reservoir.
- Develop a plan to address low Dissolved Oxygen issues in the lower reservoir.
- Develop a plan to address sediment accumulation in the Lower Reservoir and the EFBR, and an Environmental Emergency Recovery Plan to address any erosion and subsequent sedimentation caused by use of the Overflow Release Structure. (See letter dated November 7, 2008 from the department to FERC for more details on erosion and sedimentation concerns.)

Recreation

There are several issues related to mitigation for lost recreation opportunities that must be resolved prior to issuance of the new license. The department recommends that Ameren be required to develop a comprehensive Recreation Plan for the Taum Sauk facility in consultation with the department and MDC. Issues that should be addressed in the plan include the following.

- The single most important wild land protection issue for the State of Missouri is the preservation of Church Mountain. The State's preference is to accomplish this through public ownership. If public ownership is not an option, then at a minimum the new license should include a commitment for protection of these lands for future generations as part of a recreation plan mandated in the relicensure.

- The development of a trail network that connects the public use areas at the upper and lower reservoirs to Johnson's Shut-Ins State Park, Taum Sauk Mountain State Park, Church Mountain, the Ozark Trail, Ketcherside Conservation Area and other public lands in the immediate vicinity. Access to trails on nearby Church Mountain was lost following the breach. Access to these trails had been provided in a long term lease arrangement between the department and Ameren, which expires in four years. Following the breach, Ameren closed these trails to the public. The department recommends that public access to these trails be included as a condition in the new license for the duration of the license period.
- Prior to the breach of the Upper Reservoir in 2005, the public had free access to an overlook area on the Upper Reservoir, and to a small museum operated by Ameren. Since the breach, these facilities have been available to the public by appointment only. An informational kiosk that had been installed at Johnson's Shut-Ins State Park (JSI) by Ameren to interpret the breach of the Upper Reservoir has since been removed. In the new license, the department recommends that additional public recreational opportunities be provided to offset these losses.

Aesthetics

FERC's new license for the Taum Sauk facility should address aesthetics impacts of the facility on its surroundings. The license should recognize the importance of the project area's scenery to tourism and public use of the land adjacent to the project area. The project is an industrial intrusion within an area people visit to hike, camp, backpack and view spectacular mountain scenery. The mountaintop reservoir, utility corridors, roads and lights potentially have substantial impact on these very important uses of the surrounding public lands.

The discussion of aesthetic impacts in the license should include lighting of the Upper Reservoir (direction, lumens, and duration), and should encourage Ameren to evaluate the potential for the use of innovative lighting technologies to reduce light pollution at the Taum Sauk facility. The new license should also address the continued maintenance of trees planted following rebuild of the Upper Reservoir (see letters from the department to Ameren dated 9/3/10, to Ameren dated 3/27/09, to FERC dated 12/23/08 and to Ameren dated 8/12/08 and incorporated hereby by reference), and the need for additional tree planting or appropriate native plants where land is disturbed. Appropriate mitigation for impacts to the viewshed from park and conservation lands, wilderness and natural areas due to the intrusion of the industrial facility, including roads and security features, should be developed and included in the new license.

The project is in the viewshed of three wilderness areas - two under state management and one federally managed wilderness area. Missouri only has nineteen relatively small state or federal wilderness areas within its boundaries, and this one project affects three of them. The Bell Mountain Wilderness Area (within the viewshed of the project area) is 8,987 acres, and represents 12.6% of the federal wilderness area in Missouri. There are 11 state wilderness areas in 9 parks, with a total of 23,993 acres. Two of these state wilderness areas are in Johnson's Shut-Ins State Park. Goggins Mountain Wild Area (4,874 acres) is the largest in the state system. The East Fork Wild Area (1,110 acres) adjoins the project area. These two wilderness areas constitute

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24.9% of the total state designated wild area. Together, these three wilderness areas represent 15.7% of the total designated wilderness area in Missouri.

The project's features are prominent from multiple trails and vantage points within the three nearby wilderness areas, and this has significant impacts to the purposes for which people visit them. The East Fork Wild Area in Johnson's Shut-Ins State Park includes trails that are very near or overlooking parts of the project area. The trails in the Goggins Mountain Wild Area overlook the upper reservoir for much of their length, and it is especially prominent from late fall through early spring when leaves are not on the trees. The same is true for many parts of the federal Bell Mountain Wilderness Area. Anything built within the views of these areas or their trails will impact the uses for which they were designed. The locations from which the project facilities are visible must be fully mapped and evaluated. The department's wild area policy will give good reference to the purposes of the state areas, by which impacts to the aesthetics should be assessed. The language of the 1964 Wilderness Act will do the same for the federal area. It is important that the new license include this perspective of wilderness purpose and values because the project has such a tremendous potential impact to wilderness resources and public use around the project area. Attached to the letter sent on April 7, 2008 by the department to Ameren is the department's Wild Areas Policy, which outlines best management practices for these protected areas.

On the east side, the project area adjoins Missouri's largest state Natural Area. The purpose of natural areas is to preserve the best remaining examples of the state's native natural environments, and offer people opportunity to experience these elements of their natural heritage. Missouri has 182 designated Natural Areas on state, federal, county and private lands, with a total acreage of 65,106 acres. Impacts to this value include aesthetic concerns that need to be addressed as well. The St. Francois Mountains Natural Area is the largest in Missouri at 7,028 acres. It spans portions of Taum Sauk Mountain and Johnson's Shut-Ins State Parks, and the Proffit Mountain Conservation Area. This Natural Area is contiguous to Ameren's property and the project area. Within Johnson's Shut-Ins State Park are a 180 acre Natural Area containing the shut-ins that is contiguous to the project area; the Fen Natural Area in the 12-acre fen in the park's main valley that has been the focus of so much remediation and recovery effort; and the Dolomite Glade Natural Area, an 18-acre near the park's south boundary and Highway N -not adjacent to the project area. The total Natural Area acreage that may potentially be impacted by the project is 7,220 acres, or 11 % of Missouri's Natural Area System. Backcountry trails also wind through the forested hills on this east side of the project area. Most significant is the Taum Sauk section of the Ozark Trail, which is the most heavily used portion of that system because of its remote wilderness feel and tremendous scenery. The trail to Missouri's tallest waterfall at Mina Sauk Falls is a significant tourist destination, with the project area being the backdrop to the spectacular view west through Taum Sauk valley from the falls. Backpack camping is a common use of Taum Sauk, Wildcat, Church and Proffit mountains and along these trails. How the project area is managed will have tremendous importance to the aesthetics along the Taum Sauk valley, and thus its value as an outdoor recreation resource. Mitigation for aesthetic impacts could include increased recreational opportunities through further trail development on Ameren owned property, such as the existing trail easement between Ameren and the department's Division of State Parks and other recreational opportunities on Church Mountain.

Finally there are the potential impacts to the main valley of the EFBR inside Johnson's Shut-Ins State Park. The shut-ins and its associated river valley is one of Missouri's best known scenic attractions. The valley wall and main use area of the park adjoins the project area and any structures or built features will have tremendous impact to the value of the park and the experience of its visitors. The visual and acoustic horizons surrounding the main use areas associated with the shut-ins should be considered, and potential mitigation opportunities developed and incorporated into the new license.

Operational Issues

During the restoration and rebuild of portions of JSI and rebuild of the Upper Reservoir following the breach, several public safety measures were installed or incorporated into Taum Sauk's daily operations. These include enhanced monitors and gages at the Upper Reservoir, emergency sirens, development of an emergency plan, and installation of signs and stairs to facilitate evacuation of the shut-ins area of JSI by the public. The new license should specify that these measures are to be maintained and updated as necessary by Ameren during the license period. For example, exercises should be conducted periodically to test the emergency plan, with involvement by state and local emergency responders, including the department's Environmental Emergency Response staff. Periodic tests of the emergency sirens should also be conducted. The signage and stairways constructed in JSI for public safety purposes should be maintained in good condition by Ameren. The department's dam safety and environmental staff should continue to be invited by FERC to regular inspections of the Upper Reservoir. Periodic reports, including dam inspection and audit reports by FERC, should continue to be distributed to the general public, with notices sent to the department and MDC indicating their availability.

ATV Access by the Public

The new license issued by FERC should address the need to control unauthorized and harmful all terrain vehicle / over the road vehicle (ATV/ORV) use in JSI and other nearby conservation lands, wilderness and natural areas. The transmission line corridor associated with the Taum Sauk Project serves as a conduit for unauthorized and harmful ATV/ORV use, allowing riders access to the Johnson's Shut-Ins State Park section of the East Fork Black River, contributing to erosion of this designated Outstanding State Resource Water. The department realizes that the transmission line is not being relicensed, but requests that unauthorized and harmful ATV / ORV access be addressed in the portion of the transmission line managed by Ameren that crosses these types of sensitive environmental areas.

Endangered plants on Ameren lands

The new license by FERC should include a protection plan for threatened and endangered plant and animal species on Ameren lands, as the project area includes a number of sensitive natural communities. For a detailed description of these plants and animals, please see the department's letter to FERC dated July 9, 2007.

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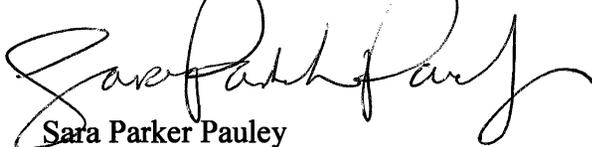
Control of Feral Hogs

FERC's re-license of Taum Sauk should address the issue of feral hogs living on Ameren lands. Feral hogs that live in or near the project area have been responsible for damage to both public and private property. These animals roam significant distances to root out foods, disturbing the land surface, eating crops, decimating important plant populations and introducing non-native species into areas noted for their native populations of plants. In the process of rooting for food, feral hogs contribute to erosion of soils and stream banks. This erosion results in increased sediment and degraded water quality in waterways in and around the project area. Ameren should be required by the new license to contribute to local efforts to control feral hog populations, which is necessary for those efforts to be effective because of Ameren's extensive land holding in and near the project area. Ameren should work with the department, MDC and federal agencies to support comprehensive trapping and other eradication efforts in order to mitigate the damage caused by feral hogs.

We appreciate the opportunity to provide comments for the Notice of Application Ready for Environmental Analysis and Soliciting Comments, Recommendations, Terms and Conditions, and Prescriptions for Project P-2277-023, Ameren's Taum Sauk facility. If you have any questions or need clarification, please contact me or Ms. Jane Beetem, phone number (573) 751-3195. The address for correspondence is Department of Natural Resources, P.O. Box 176, Jefferson City, MO 65102. Thank you.

Sincerely,

DEPARTMENT OF NATURAL RESOURCES



Sara Parker Pauley
Director

SPP:jbj