

March 31, 2014

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

**SUBJECT: Hawks Nest Hydroelectric Project (FERC No. 2512)
Glen Ferris Hydroelectric Project (FERC No. 14439)
Integrated Licensing Process Study Progress Report #4**

Dear Secretary Bose:

Hawks Nest Hydro, LLC (Hawks Nest Hydro), a subsidiary of Brookfield Renewable Energy Group, owns and operates the Hawks Nest Hydroelectric Project (FERC No. 2512) and the Glen Ferris Hydroelectric Project (FERC No. 14439) (collectively, the “Projects”) in Fayette County, West Virginia. The Projects are licensed by the Federal Energy Regulatory Commission (“FERC” or “Commission”) in accordance with the Commission’s delegated authority under the Federal Power Act. Hawks Nest Hydro is currently pursuing a new license for the Projects under the Integrated Licensing Process (ILP) described at 18 CFR Part 5 of the Commission’s regulations. Accordingly, Hawks Nest Hydro has initiated the resource studies detailed in its May 6, 2013 Revised Study Plan (RSP) and approved (as filed) by the Commission’s May 31, 2013 Study Plan Determination.

Pursuant to 18 CFR § 5.15(b) and the RSP, Hawks Nest Hydro is providing this fourth ILP Study Progress Report for the Projects. This progress report describes the activities performed since the December 20, 2013 filing of the ILP Study Progress Report #3, as well as study activities generally expected to be conducted in the near-term in support of relicensing the Projects. Unless otherwise described, all relicensing studies are being conducted in conformance with the approved RSP and the Commission’s Study Plan Determination.

Water Quality Study

- Continued data processing, analyses, and development of the interim Water Quality Study Report.
- Activities expected to occur in the next quarter include distribution of the interim Water Quality Study Report with the Initial Study Report (ISR).¹

¹ In accordance with 18 CFR § 5.15(c)(3), Hawks Nest Hydro will file the ISR with the Commission within one year of the Commission’s May 31, 2013 study plan determination for the Projects.

Fish Entrainment Study

- The desktop impingement assessment and desktop analysis that incorporates the impingement assessment, project specifications, and hydrology to quantify turbine entrainment and mortality at the projects were completed in the first quarter of 2014.
- Field collection of intake velocities that could influence entrainment was completed for both the Hawks Nest and Glen Ferris Projects in March 2014.
- Initiated development of the interim Fish Entrainment Study Report.
- Activities expected to occur in the next quarter include distribution of the interim Fish Entrainment Study Report with the ISR.

Aquatic Species Composition and Abundance Survey

- Completed processing of field data collected in 2013 and initiated development of the interim Aquatic Species Composition and Abundance Study Report.
- Activities expected to occur in the next quarter include distribution of the interim Aquatic Species Composition and Abundance Study Report with the ISR.

Rare, Threatened, and Endangered Aquatic Species Study

- Initiated development of the interim Rare, Threatened, and Endangered Aquatic Species Study Report.
- Activities expected to occur in the next quarter include distribution of the interim Rare, Threatened, and Endangered Aquatic Species Study Report with the ISR and planning and coordination for the collection of additional field data in the summer of 2014.

Bypass Reach Aquatic Habitat Use/Instream Flow Study

- Aerial imagery and LiDAR topographic data have been contracted to be collected by a vendor for the extent of the selected Cotton Hill study site (site described in the RSP). The purpose of this effort is to collect a large percent of the topographic data more efficiently (in-lieu of a traditional survey) and to assist the 2-dimensional model development process. Aerial imagery was successfully collected on November 21, 2013 and LiDAR data was tentatively scheduled for collection in the winter of 2013-2014 during minimum or near-minimum flow conditions (100 cubic feet-per-second). Winter flow conditions and persistent snowfall did not permit LiDAR data collection between January and March 2014. LiDAR data collection has been scheduled to occur during minimum or near-minimum flow conditions in Q2 of 2014.
- Activities expected to occur in the next quarter include collection and processing of the LiDAR data and imagery to locate areas of topographic void where additional field survey

may be necessary to complete the topographic model. The model will be completed using terrestrial and bathymetric survey techniques that are presently anticipated to be completed by Q2 of 2014, depending on climate and flow conditions. Additional field work for 2014 will include the mapping of substrate and cover data within the study site, which will likely be collected in the same timeframe as the survey data.

Wetland and Riparian Habitat Survey

- Completed processing and mapping of field data collected in 2013 and initiated development of the Wetland and Riparian Habitat Survey Study Report.
- Activities expected to occur in the next quarter include distribution of the interim Wetland and Riparian Habitat Survey Study Report with the ISR.

Rare, Threatened, and Endangered Terrestrial Species Study

- Completed processing and mapping of field data collected in 2013 and initiated development of the Rare, Threatened, and Endangered Terrestrial Species Study Report.
- Hawks Nest Hydro anticipates a variance for one subtask in the RSP, the timing of ground survey for bald eagle nests. The ground survey for bald eagle nests occurred as described in the RSP in association with other field surveys conducted for this study in the summer and fall of 2013, instead of in the spring. No stick nests of bald eagles were observed or have been known to occur in the study area. Hawks Nest Hydro does not propose to conduct an additional bald eagle survey in 2014.
- Activities expected to occur in the next quarter include distribution of the interim Rare, Threatened, and Endangered Species Study Report with the ISR.

Recreation Flow Assessment Study

- Hawks Nest Hydro has continued to maintain the extended whitewater evaluation survey available on the Projects' public relicensing website (<http://hawksnestandglenferris.com>). Hawks Nest Hydro has not received any completed extended whitewater evaluation surveys to date.
- Activities expected to occur in the next quarter include continued processing and summarizing survey responses collected to date (including those survey responses collected during the 2013 controlled flow releases), and additional coordination with the Recreation Study Working Group regarding the schedule and logistics for 2014 controlled flow releases (with most-recent outreach being March 26, 2014).

Recreation Use and Needs Assessment Study

- Hawks Nest Hydro continued the supplemental recreation facility data collection as described in the RSP, including the collection of General Recreation Visitor Questionnaire

surveys from drop boxes near the Cotton Hill and Hawks Nest powerhouse recreation areas.

- At the request of the New River Alliance of Climbers (NRAC), Hawks Nest Hydro maintained the survey forms and drop boxes at the Cotton Hill and Hawks Nest powerhouse locations over the winter months (though the end of February 2014).
- Hawks Nest Hydro initiated the County Resident Recreational Use Survey to gather information from Fayette County, West Virginia residents regarding their participation in recreation activities at the Projects.
- Hawks Nest Hydro anticipates a variance from the schedule described in the RSP to accommodate the extended data collection period requested by NRAC and to allow for processing of the additional General Recreation Visitor Questionnaire survey forms collected during this period. The variance in schedule will also accommodate consultation activities with the Recreation Use and Needs (RUN) Assessment Study Working Group based on the data collected in 2013 and 2014 and subsequent reporting. Hawks Nest Hydro anticipates that RUN Working Group meeting(s) to review information collected and to identify potential recreation enhancements will be initiated in Q3 of 2014. Hawks Nest Hydro expects that the interim Recreation Use and Needs Study Report will be available in October 2014.
- Activities expected to occur in the next quarter include:
 - Processing and analysis of County Resident Recreational Use Survey data; and
 - Initiation of a web-based survey to collect data regarding recreational activities, visitor perceptions, and management policies at the Projects from federal, state, and local agency representatives, non-governmental organizations, and commercial recreational equipment providers who offer, manage, or have knowledge of Project recreation facilities and amenities.

Cultural Resources Study

- Continued preparation of the draft Phase I Archaeological Identification Survey and the Cultural Historic Survey study reports.
- A variance in the schedule for report distribution was necessary to accommodate review and compilation of the large volume of research and field data. Hawks Nest Hydro expects that the Phase I Archaeological Identification Survey and the Cultural Historic Survey study reports will be distributed to the consulting parties, including the West Virginia State Historic Preservation officer and federally recognized Indian tribes in the next quarter.

As always, I welcome the opportunity to discuss the ongoing relicensing process or the progress

of ongoing studies with you further. If you have any question regarding this progress report, please feel free to contact me at (315) 598-6130.

Respectfully,

A handwritten signature in black ink, appearing to read "Steven P. Murphy". The signature is written in a cursive style with a large, stylized initial "S".

Steven P. Murphy
Manager, Licensing
Eastern Region – Atlantic Operations

cc: S. Ames (Brookfield)
S. Kulpa (HDR)