



RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

235 Promenade Street, Providence, RI 02908-5767

TDD 401-222-4462

June 9, 2015



Water Street Land, LLC
Robert A. Cioe, Member
1051 Ten Rod Road, Suite 5A
North Kingstown, RI 02852

REVISED PERMIT

Re: Wetlands Application No. 13-0208 & Water Quality Certification File 13-042 in reference to the location below:

East of Providence Street, Utility Pole No. 54, southeast of its intersection with Water Street, Assessor's Plat 41, Lot 77, West Warwick, RI

Dear Mr. Cioe:

The Department of Environmental Management's ("DEM") Freshwater Wetlands Program ("Program") has completed its review of your **Application for Permit Modification** and has evaluated your proposed modifications to certain grades and elevations at the permitted hydroelectric generation facility at the existing Natick Pond Dam as illustrated and detailed on revised site plans submitted with your application. The revised site plans were received on May 19, 2015.

Based upon the Program's evaluation of the revised project and pursuant to Rule 11.03 of the Rules and Regulations Governing the Administration and Enforcement of the Freshwater Wetlands Act (Rules), it is the Program's determination that a revised permit for the modified project may be issued under the following terms and conditions:

1. This letter is the DEM's revised permit for this project under the R.I. Fresh Water Wetlands Act, Rhode Island General Laws (RIGL) Section 2-1-18 et seq.
2. This revised permit is specifically limited to the project, site alterations and limits of disturbance as detailed on the site plan submitted with your application and received by the DEM on May 19, 2015. A copy of the site plan stamped approved by the DEM is enclosed. Further changes or revisions to the project which would alter freshwater wetlands are not authorized without a permit from the DEM.
3. Where the terms and conditions of the revised permit conflict with the approved site plan, these terms and conditions shall be deemed to supersede the site plan.
4. A copy of the stamped approved site plan and a copy of this revised permit must be kept at the site at all times during site preparation, construction, and final stabilization. Copies of this revised permit and the stamped approved plan must be made available for review by any DEM representative upon request.

5. Within ten (10) days of the receipt of this revised permit, you must record this permit in the land evidence records of the City of Warwick and supply this Program with written documentation obtained from the City showing this revised permit was recorded.
6. Pursuant to R.I. Gen. Laws § 42-17.1-2.5 this permit is subject to tolling and shall be valid until July 1, 2016 unless renewed pursuant to the Rules.

Except as authorized in this revised permit pursuant to revised and approved site plans (enclosed), all terms and conditions previously specified in the Program's permit dated July 2, 2014 as applicable both to the Freshwater Wetlands Permit and the Water Quality Certificate (copy enclosed) remain in effect.

Pursuant to the provisions in Rule 7.09 and Rule 11.04, as applicable, any properly recorded and valid permit is automatically transferred to the new owner upon sale of the property.

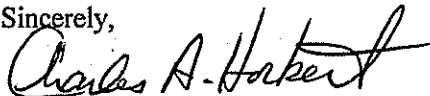
You are required to carry out this project in compliance with the Rules and comply with all permit conditions at all times. Failure to do so may result in an enforcement action by the Program.

In permitting the proposed alterations, the DEM assumes no responsibility for damages resulting from faulty design or construction.

This revised permit does not remove your obligation to obtain any local, state, or federal approvals or permits required by ordinance or law and does not relieve you from any duties owed to adjacent landowners with specific reference to any changes in drainage.

Please contact Andrew Charpentier of this Program (telephone: 401-277-6820 Ext. 7414) should you have any questions regarding this letter.

Sincerely,



Charles A. Horbert, Program Supervisor
Office of Water Resources
Freshwater Wetlands Program
CAH/AC/ac

Enclosures: Approved revised site plan
Original Permit letter

cc: Alisa Richardson, P.E., RIDEM Water Quality Certification Program
Phillip Edwards, RIDEM Division of Fish & Wildlife
Kelly J. Owens, P.E., RIDEM Office of Waste Management, Site Remediation
Michael Elliott, U.S. Army Corps of Engineers, New England District
Melissa Grader, U.S. Fish & Wildlife Service
Kerry Anderson, West Warwick Building Official
Scott P. Rabideau, Natural Resource Services, Inc.



RHODE ISLAND

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

235 Promenade Street, Providence, RI 02908-5767

TDD 401-222-4462

CERTIFIED MAIL

July 2, 2014

Water Street Land, LLC
 Robert A. Cioe, Member
 1051 Ten Rod Road, Suite 5A
 North Kingstown, RI 02852

PERMIT TO ALTER FRESHWATER WELANDS

Re: Wetlands Application No. 13-0208 & Water Quality Certification File 13-042 in reference to the location below:

East of Providence Street, Utility Pole No. 54, southeast of its intersection with Water Street, Assessor's Plat 41, Lot 77, West Warwick, RI

Dear Mr. Cioe:

The Rhode Island Department of Environmental Management's ("RIDEM") Freshwater Wetlands Program ("Program") has completed its review of your **Application to Alter a Freshwater Wetland** regarding the proposed construction of a hydroelectric generation facility at the existing Natick Dam with associated powerhouse building, transformer, headrace, tailrace, Archimedes screw turbines, parking and access way, eel pass, boat haul-out, landscaping, and temporary dewatering and flow controls as described and detailed in the material and information submitted in support of your application and on site plans received by the DEM on April 8, 2014.

These site plans describing the project were made available for public comment as part of the forty-five (45) day public notice period required in accordance with the Freshwater Wetlands Act (R.I. General Laws (R.I.G.L.) Section 2-1-18 et seq.) and the procedures set forth in Rule 10.00 of the Rules and Regulations Governing the Administration and Enforcement of the Freshwater Wetlands Act (Rules).

This Program received one letter relating to your application, which was submitted during the public notice period. This letters expressed concern regarding your project's impacts to freshwater wetland values. This Program reviewed this letter together with any supporting documents and evaluated the potential impacts from the project upon the values mentioned in the letter. The Program has determined that the comments contained within this letter do not constitute an objection of a substantive nature as defined in Rule 10.04(C)(3). Accordingly, a public hearing pursuant to R.I.G.L. Section 2-1-22 is not required.

Pursuant to the Program's review and evaluation of your application including all supporting information and material, as well as the record to date, the Program has determined that this project does not represent a random, unnecessary or undesirable alteration of freshwater wetlands. Therefore, this Program hereby issues this permit to alter freshwater wetlands **subject to all controlling Rules and the Terms and Conditions set forth herein.**



Permit Terms and Conditions for Application No. 13-0208, and Water Quality Certification file# 13-042:

1. This letter is the DEM's permit for this project under the R.I. Fresh Water Wetlands Act, Rhode Island General Laws (RIGL) Section 2-1-18 et seq. This Permit also serves as a Water Quality Certification by the State under Section 401 of the Clean Water Act (33 U.S.C. 1251 et. seq.) and pursuant to the RI Water Quality Regulations (Chapter 42-35 pursuant to Chapters 46-12 and 42-17.1) as amended.
2. This permit is specifically limited to the project, site alterations and limits of disturbance as detailed on the site plans submitted with your application and received by the DEM on April 8, 2014. A copy of the site plans stamped approved by the DEM is enclosed. Changes or revisions to the project which would alter freshwater wetlands are not authorized without a permit from the DEM.
3. Where the terms and conditions of the permit conflict with the approved site plans, these terms and conditions shall be deemed to supersede the site plans.
4. A copy of the stamped approved site plans and a copy of this permit must be kept at the site at all times during site preparation, construction, and final stabilization. Copies of this permit and the stamped approved plans must be made available for review by any DEM or Town representative upon request.
5. Within ten (10) days of the receipt of this permit, you must record this permit in the land evidence records of the Town of West Warwick and supply this Program with written documentation obtained from the Town showing this permit was recorded.
6. The effective date of this permit is the date this letter was issued. Pursuant to R.I. Gen. Laws § 42-17.1- 2.5 this permit is subject to tolling and shall be valid until July 1, 2016 unless renewed pursuant to the Rules.
7. Any material utilized in this project must be clean and free of matter which could pollute any freshwater wetland.
8. Prior to commencement of site alterations, you shall erect or post a sign resistant to the weather and at least twelve (12) inches wide and eighteen (18) inches long, which boldly identifies the initials "DEM" and the application number of this permit. This sign must be maintained at the site in a conspicuous location until such time that the project is complete and the DEM issues a Notice of Completion of Work for the project.
9. Temporary erosion and sediment controls detailed or described on the approved site plans prepared for this project shall be properly installed at the site prior to or commensurate with site alterations. Such controls shall be properly maintained, replaced, supplemented, or modified as necessary throughout the life of this project to minimize soil erosion and to prevent sediment from being deposited in any wetlands not subject to disturbance under this permit.
10. You are obligated to install, utilize and follow all best management practices detailed or described on the approved site plans, or as specified in the Sediment Management Plan, in the construction of the project to minimize or prevent adverse impacts to any adjacent freshwater wetlands and the functions and values provided by such wetlands.

11. You are responsible for the proper installation, operation, maintenance and stability of any mitigative features, stormwater management facilities, and systems of treatment and control which are installed or used in compliance with this permit to prevent harm to adjacent wetlands until such time that you demonstrate that this responsibility has been assumed by another entity.
12. Upon permanent stabilization of all disturbed soils, temporary erosion and/or sediment controls consisting of silt fence, compost filled filter socks, porta-dams, dewatering basins and other stabilization measures utilized must be removed.
13. All construction activities involving soil disturbances within watercourses for installation or removal of temporary cofferdams must be limited to the low flow period (i.e., the period from July 1 to October 31 of any calendar year). Soil disturbance in these watercourses must temporarily cease in the event of any abnormally high stormwater runoff event during the low flow period.
14. As noted on the approved site plan as part of your proposal, a boater pull-out suitable for hand-carried canoes and kayaks must be provided, together with unhindered portage access to Water Street, and clear visible guidance by marking or appropriate signage directing boaters to the appropriate haul-out access and safely past the "high-visibility debris control/public safety barrier".
15. This Program has made specific revision to the approved site plans. This revision is clearly marked in red on the approved plans. Specifically, the "Phase 1A 14'x16' downstream dewatering bagging area" must be relocated to remain within the proposed/approved Limits of Disturbance. This project must take place in compliance with this revision.
16. As a specific condition of this permit, and as further required by the U.S. Army Corps of Engineers, any improvements on site must not modify the granite block platform at the head of the canal. The Rhode Island Historical Preservation and Heritage Commission must be provided the opportunity to photo-document the raceway after the site has been cleared but prior to the commencement of other associated alterations.
17. With the exception of the eel passage as depicted on the approved site plans, this permit does not authorize any other fish ladder or anadromous fish passage. In the event downstream conditions allow for the passage of anadromous fish, future construction of a fish ladder and any associated diversion structures will require that you submit a separate application for review and approval by RIDEM.
18. An environmental consultant, experienced in site assessments and measures necessary to protect sensitive aquatic environments or sensitive ecosystems, must be employed during construction of site alterations to monitor this project and to ensure compliance with the terms and conditions of this permit. This Program must be notified in writing of the consultant chosen to comply with this condition and must receive monthly written progress reports during active construction from the consultant regarding compliance with this permit, including all flow diversion and site stabilization activities, until such time that the project is complete and this Program issues a Notice of Completion of Work.
19. In addition to the monthly reports required by Permit Condition No. 18 above, you are required to provide the following written reports, notifications or certifications to the Freshwater Wetlands Program:
 - a) Notification of the overall commencement of the project, defined as installation of erosion controls or access preparatory to clearing and construction activities.

- b) Immediate notification of any unauthorized alterations to freshwater wetlands resulting from either non-compliance with this Permit or from unanticipated failure of construction management measures (e.g. erosion controls, temporary diversion dams, dewatering measures), together with a written description of any corrective action taken.
- c) Upon request by the Department, copies of records regarding the operation of the facility, including information on river flows in the bypass reach during times the turbines are operating.
- d) Written certification from a registered land surveyor or registered professional engineer that the stormwater drainage system including any and all subsurface detention basins, piping systems, catch basins, culverts, swales, sand filters and any other stormwater management control features have been constructed/installed in accordance with the site plans approved by this permit. This written certification must be submitted to this Program within twenty (20) days of its request or upon completion of the project.
- e) Written notification upon completion of all elements of the proposed project once it is ready for a final inspection towards issuance of a Notice of Completion of Work.
- f) Written notification of the commencement of operation of the facility;

The following permit conditions are specific to the Water Quality Certificate being issued for this project, and are incorporated herein as an integral part of this Permit.

- 20. You shall operate the project in an instantaneous run-of-river mode, whereby inflow to the project will equal outflow from the project at all times, and water levels above the dam are not drawn down for the purpose of generating power. Run-of-river operation may be temporarily modified and water may be drawn down below the spillway, if required by operating emergencies beyond your control with notification to RIDEM. Or operations may be temporarily modified, if the modification is necessary as approved or exempted by the Rhode Island Freshwater Wetlands Regulations and/or the Rhode Island Dam Safety Regulations.
- 21. You shall discharge a minimum flow of 42 cfs, or inflow, if less, over the dam at all times for the protection of in-stream habitat, water quality and aesthetics. This condition does not relieve you from the responsibility of maintaining higher minimum flow bypass rates as required by any other Mandatory Conditions.
- 22. You shall implement a refill procedure whereby, during impoundment refilling after drawdowns for maintenance or emergency purposes, 90 percent of inflow is passed downstream and the headpond is refilled on the remaining 10 percent of inflow to the project. This refill procedure may be modified on a case-by-case basis with the prior approval of both the U.S. Fish and Wildlife Service and RIDEM.
- 23. You shall, within three (3) months of commencement of project operation, prepare for approval by RIDEM, a plan for maintaining and monitoring run-of-river operation and minimum flow releases at the project. The plan will include a description of the mechanisms and structures that will be used, the level of manual and automatic operation, the methods used for recording data on run-of-river operation and minimum flow and minimum flow releases, an implementation schedule, and a plan for maintaining the data for inspection by RIDEM.
- 24. You shall provide a copy of any Habitat Mapping Report and Flow Bypass Report, as may be required by any other agency, to the RIDEM Office of Water Resources.

25. In order to comply with state water quality and anti-degradation standards, you shall cease operating the project when temperatures in the headpond are at 26°C or above.
26. You shall, during the project's first operational period of low flow (July – October), conduct a post-operation water quality monitoring survey in accordance with the Water Quality Monitoring Standard Operating Procedure as approved by RIDEM's Water Quality Certification Program in July 2013 for the sampling and analysis of dissolved oxygen (DO) and temperature. Post-operational water quality monitoring shall be initiated for the first post-operation low flow period and data shall be compared to pre-operation data collected by your design team during the 2013 low flow period. If results indicate that the project operations respond with lower downstream oxygen than that predicted by the model used in the pre-operational water quality analysis, you shall develop and implement, in consultation with the U.S. Fish and Wildlife Service and the Rhode Island Department of Environmental Management, mitigation measures to address those impacts.
27. You shall, within six (6) months of commencement of operations, submit a plan for review and approval by RIDEM's Water Quality Certification Program to monitor temperature and dissolved oxygen on a continuous basis.
28. You shall report any plans, monitoring or actions taken relative to invasive species control to the RIDEM Office of Water Resources and Division of Fish and Wildlife.
29. In order to facilitate upstream passage of American Eels, you shall, within six (6) months of FERC exemption issuance, prepare and file for approval, a survey protocol to assess the areas of concentration of juvenile eels attempting to move upstream past the Project. The protocol shall be developed in consultation with, and require approval by RIDEM's Division of Fish & Wildlife.
30. You shall conduct an eel passage effectiveness study during the first post-operational migration season after study plan acceptance by FERC. Survey results and information shall be submitted RIDEM's Division of Fish & Wildlife by the end of the calendar year that the study was conducted. Based on the results of those surveys, if such results indicate minimal to no use of the eel ramp as designed, you shall submit a plan, in consultation with and for approval by, the US Fish and Wildlife Service, the National Marine Fisheries Service, and the Rhode Island Department of Environmental Management for redesigning, modifying, maintaining, operating and evaluating the eel ladder as described in the approved plans to address any ineffective components.
31. Any redesign of an upstream eel passage facility as required by RIDEM shall be operational within three (3) years of project start-up.
32. Prior to commencement of operation, you shall prepare and file for the RIDEM's Division of Fish & Wildlife approval, a resident Fish Passage Facility Effectiveness Studies Plan. The plan shall measure downstream passage effectiveness of the Archimedes screw and spillway. These facilities will be evaluated for their ability to pass resident fish in a safe, timely and effective manner. Should the downstream passage prove ineffective at safe and timely passage, mitigation will be required by the RIDEM.
33. You shall be responsible for providing upstream fish passage facilities for anadromous fish when notified by the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and/or RIDEM that such fishways are required. All plans and schedules associated with the design, construction, operation, maintenance and evaluation of any prescribed fishways shall be developed within six (6) months of notification and will require approval by RIDEM's Freshwater Wetlands Program. The fishways shall be operated and maintained in accordance with the schedule required by the U.S. Fish and Wildlife Service and RIDEM.

34. Even though there will likely be Freshwater Wetlands conditions associated with the construction of the fishway, this condition is placed to satisfy State Water Quality Regulations Rule 8D(1)(a)(iii) for long-term operations of the fishway if constructed: Within one (1) year of the implementation of the upstream anadromous fish passage facilities, you shall prepare a Fish Passage Facilities Effectiveness Studies Plan. The plan shall detail how the upstream passage facilities and downstream passage facilities (Archimedes screw and weir) will be evaluated for their effectiveness at passing anadromous migrants in a safe, timely and effective manner. Each facility shall require a maximum of three (3) years of study. The Plan shall be developed in consultation with, and require approval by, the U.S. Fish and Wildlife Service, RIDEM and the National Marine Fisheries Service.
35. If the upstream and downstream passage study referred to in condition no. 34 above demonstrates a poor correlation to the study materials provided in the Initial Consultation Documents, additional mitigation measures may be required by the RIDEM in consultation with US Fish and Wildlife Service and the National Marine Fisheries Service to improve upstream and/or downstream fish passage.
36. You shall notify RIDEM in writing when the project commences operation. You shall furnish RIDEM with a set of as-built drawings concurrent with your filing to the Federal Energy Regulatory Commission.
37. You shall allow RIDEM to inspect the project area at any time while the project operates under an exemption from licensing to monitor compliance with our terms and conditions.

Pursuant to the provisions in Rule 7.09 and Rule 11.04, as applicable, any properly recorded and valid permit is automatically transferred to the new owner upon sale of the property.

This Permit also constitutes your authorization from the U.S. Army Corps of Engineers ("Corps") under Section 404 of the Clean Water Act for the work proposed. Your project qualifies as a Category 2 activity under the Rhode Island General Permit (General Permit No. NAE-2011-2402), ("RI GP"). You can view this permit at http://www.nae.usace.army.mil/Regulatory/SGP/RI_PGP.pdf. You are, therefore, not required to file a separate application with the Corps.

Please note that the General Conditions within the RI GP apply to all activities authorized under the RI GP. Please review them carefully to thoroughly familiarize yourself with their contents. You may wish to discuss all permit conditions with your contractor to ensure that the work can be accomplished in a manner which conforms to all requirements.

You are required to comply with the terms and conditions of this permit and to carry out this project in compliance with the Rules at all times. Failure to do so may result in an enforcement action by this Department and/or subject you to the enforcement provisions of the Corps' regulations.

In permitting the proposed alterations, the Program assumes no responsibility for damages resulting from faulty design or construction. This permit does not remove your obligation to obtain any local, state, or federal approvals or permits required by ordinance or law and does not relieve you from any duties owed to adjacent landowners with specific reference to any changes in drainage.

If you are aggrieved by this decision, you may, within thirty (30) days of the receipt of this letter, request an adjudicatory hearing in writing. This request must be sent directly to the Office of Administrative Adjudication ("OAA"), One Capitol Hill, Second Floor, Providence, RI 02903.

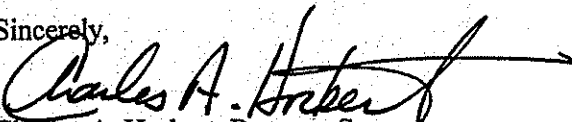
Copies of the request should also be forwarded to both this Program and to the Office of Legal Services at 235 Promenade Street, Providence, RI 02908. Your written request for an adjudicatory hearing must be timely filed and should conform to the requirements of Rule 7.00(b) of the "Administrative Rules of Practice and Procedure for the Department of Environmental Management Administrative Adjudication Division for Environmental Matters", (AAD Rules). AAD Rule 7.00(b) provides:

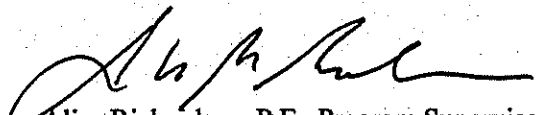
"The request for hearing shall state clearly and concisely the specific issues which are in dispute and the facts in support thereof, the relief sought if any, the license or permit sought or involved and any additional information required by applicable statutes and regulations."

The written request must be accompanied by a fee of two thousand dollars (\$2,000.00) in the form of a certified bank check or money order made payable to the Rhode Island General Treasurer; however, in the event that the cost of the hearing exceeds the fee paid, the Program through the AAD will require an additional fee which the applicant must submit prior to the DEM's issuance of any final decision regarding this application. The adjudicatory hearing will be held before a Hearing Officer from the AAD. Such hearing will be held in compliance with the AAD Rules, Chapter 42-35-1 *et seq.* of the R.I.G.L., and other governing laws, rules, and regulations adopted by the DEM. Please note that you have the right to be represented by legal counsel in any proceeding which may be held in this matter.

If you have any questions regarding this matter, you may contact Charles Horbert at this office (telephone: 401-222-6820, ext. 7402) or Andrew Charpentier (ext. 7414). Questions regarding Water Quality Certification-specific conditions may be directed to Alisa Richardson (ext. 7232)

Sincerely,


Charles A. Horbert, Program Supervisor
Office of Water Resources
Freshwater Wetlands Program
CAH/AC/cah


Alisa Richardson, P.E., Program Supervisor
Office of Water Resource
Water Quality Certification Program

Enclosure: Approved Site Plans

xc: Edward F. Sanderson, Executive Director, RI Historical Preservation & Heritage Commission
Alfred T. DeCorte, West Warwick Building Official
Federal Energy Regulatory Commission, Office of Energy Projects

ec: Janet Coit, Director, RIDEM
Brian Moore, Chief of Groundwater & Wetlands Protection
Bonnie Stewart, Administrative Adjudication Division
Mary Kay, Esq., RIDEM Office of Legal Services
Alisa Richardson, P.E., RIDEM Water Quality Certification Program
Phillip Edwards, RIDEM Division of Fish & Wildlife
Kelly J. Owens, P.E., RIDEM Office of Waste Management, Site Remediation
Michael Elliott, U.S. Army Corps of Engineers, New England District
Melissa Grader, Biologist, U.S. Fish & Wildlife Service
Sean McDermott, Hydropower Program Coordinator, National Marine Fisheries Service
Fred Presley, Town Administrator, Town of West Warwick
Scott P. Rabideau, Natural Resource Services, Inc.
Nils Wiberg, Fuss & O'Neill, Inc.
Sarah Faldetta, New England Hydropower Company, LLC