

FEDERAL ENERGY REGULATORY COMMISSION
Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 3409-038 – Michigan
Boyne River Hydroelectric Project
Boyne USA, Inc.

July 31, 2025

VIA FERC Service

Ed Grice
Boyne USA, Inc.
1 Boyne Mountain Rd.
Boyne Falls, MI 49713

Subject: Run of River Deviation - Article 25

Dear Mr. Grice:

This letter is regarding your April 28, 2025 report of a run-of-river deviation at the Boyne Hydroelectric Project No. 3409, pursuant to Article 25 of the project license,¹ as amended.² As discussed in more detail below, Commission staff determined that this deviation and your untimely reporting constitute violations of Article 25.

License Requirements and Monitoring Methods

Article 25 of the amended license requires that the project be operated in a run-of-river mode through maintenance of a constant reservoir elevation, ensuring that project outflows equal inflows, for the protection of fish and wildlife resources of the Boyne River. In an October 23, 2008 report from a previous allegation, and confirmed again by you in a September 18, 2020 filing, you verify that the project is operated in a run-of-river mode by maintaining a reservoir elevation of 15.44 feet which is based on a local elevational datum equal to the top of the project's wooden flashboards.³

¹ Order Issuing License (Minor) (18 FERC ¶ 62,304), issued February 22, 1982.

² Order Amending Article 25 and Approving and Modifying Minimum Flow Plan (58 FERC ¶ 62,021), issued January 9, 1992.

³ 15.44 feet local datum is equivalent to 634.88 feet mean sea level. Mean sea

Additionally, in a September 8, 2008 letter, Commission staff stipulated that you must report to the Commission within 10 days any incident in which flow requirements under Article 25 may not have been met.⁴ The letter specifies the information that must be included in these reports:

“The report should, to the extent possible, identify the cause, severity, and duration of the incident, and any observed or reported adverse environmental impacts. The report should include operational data necessary to determine compliance with the project license, and a description of any corrective measures to be implemented at the time of occurrence. The report should also include measures implemented or proposed to ensure that similar incidents do not recur, as well as summaries of communications and copies of any correspondence received from resource agencies regarding the incident. Based on the report and the Commission’s evaluation, the Commission may require modifications to project facilities and operations to ensure future compliance.”

The project has an alarm system that also remotely alerts personnel of high- and low-water conditions via an auto-dialer system. The high-water alarm is set at 16.20 feet and the low-level alarm is set for 14.70 feet. The project is not automated and is inspected two times a day by an operator who records generation levels, water elevations, and other conditions in a project logbook. Reservoir water elevations are continuously recorded by a circle chart recorder, and circle charts are changed every seven days. The elevations measured by the continuous chart recorder are checked twice each day against a reservoir staff gage.⁵

Licensee’s Report

In your report, you state that on March 25, 2025, an operator observed the impoundment level to be close to the upper limit and adjusted the sluice gate to prevent exceedance of the limit. On the morning of March 26, 2025, a different operator observed the water level of the impoundment to be below the lower limit of the operating range and adjusted the gate more than intended and once recognized, readjusted to regain compliance.

level is the datum used in the project’s August 1980 Exhibit L drawings currently on file with the Commission.

⁴ Accession no. 20080910-0078.

⁵ Commission staff also issued a letter on January 4, 2010 acknowledging the methods the licensee provided for maintaining and monitoring run-of-river operations at the project. Accession no. 20100106-0020.

You report that on March 27, 2025, Commission staff and Michigan Department of Natural Resources (Michigan DNR) staff contacted you to inquire about a reported low water event downriver on March 26, 2025. Following those calls, you immediately checked the impoundment level and found it to be within normal range; however, you report that it was closer to the upper limit, and by approximately 10:30 am on March 28, 2025, the level had reduced to 15.8 feet.

You did not provide headwater elevation data in your report, stating that your circle chart recorder had failed; additionally, you did not provide information on how long the recording equipment had been out of service prior to this event. You state that you installed a new digital datalogger on April 8, 2025 that is now operational. The device sends automatic notifications to your operators via text and email if the water levels approach the high/low limits (16.02 and 15.20, respectively). You also have sourced a backup device if the current equipment ever fails.

You state that following the report of low water, a member of your leadership team walked the length of the river downstream from the dam past Dam Road to your property line, to survey for adverse environmental effects. You report that you observed no adverse environmental effects, and that no fish were observed or reported to be stranded or killed. You notified staff from the Commission's Division of Dam Safety and Inspections of your findings on April 8, 2025.

You state that to prevent similar events in the future, you have: 1) installed the new digital datalogger and sourced a backup unit to have on site; 2) reviewed operating parameters and procedures with the engineer of record; 3) reviewed and updated your operating procedures; 4) conducted additional training with your dam operators; and 4) installed cameras to remotely view operating conditions. Further, you state that pending license approval,⁶ you are prepared to install automation that would provide long term water level consistency and monitoring.

Discussion

After review of your report, we have determined that the cause of the run of river deviations was two separate improper gate settings by your operators. The first erroneous adjustment occurred on March 25, 2025, causing the impoundment to draw down from nearly the high limit to below the low limit on March 26, 2025, although you do not specify the magnitude of the low elevation, or the rate at which the water level dropped. The second operational error occurred when a different operator incorrectly adjusted the gate to increase the pond elevation on March 26, 2025. This error caused a reduction in flow downstream of the project that resulted in reports of low river flows, again, of

⁶ The project is currently in the relicensing process.

unspecified magnitude. Further, your monitoring equipment and alarm system had failed, preventing your staff from being alerted to the situations. You do not indicate how long the equipment was out of service; however, you do provide that you have installed a new logging and alarm system.

Conclusion

It appears that your staff are unfamiliar with appropriate operational procedures to maintain run of river flows at the project, which resulted in these events. This incident was preventable through proper training of your staff regarding the project's operational requirements and procedures. Further, the failure of your monitoring and alarm system contributed to an extended duration and greater magnitude of the event. You also failed to notify the Commission of the incident within 10 days of the incident under Article 25.

Because this incident was caused by operator errors and preventable equipment failure, we consider the deviation to be a violation of Article 25. Also, because your report was filed untimely, and presumably only after being contacted by Michigan DNR and Commission staff, we consider your late filing to be a violation of Article 25.

Commission staff recognize that you have taken actions to prevent similar future events. You have installed a new datalogger and sourced a backup unit. You have reviewed and updated your operating procedures and requirements and conducted training with your operational staff. You have installed equipment to remotely observe conditions at the project and alert staff before deviations occur. Considering these measures, Commission staff determined there is no additional action required regarding this matter, at this time.

These violations will be made a part of the project record and may be considered in the review of any future proceedings to determine appropriate Commission action. You are again reminded that if future deviations occur, or are suspected to have occurred, you are required to notify the Commission as outlined above, in accordance with your license requirements.

If you have any questions concerning this letter, please contact Brian Bartos at brian.bartos@ferc.gov or (202) 502-6679.

Sincerely,

ANDREA
CLAROS

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ANDREA CLAROS
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Andrea Claros, Chief
Aquatic Resources Branch
Division of Hydropower Administration
and Compliance