



FEDERAL ENERGY REGULATORY COMMISSION

Office of Energy Projects

Division of Dam Safety and Inspections - Chicago Regional Office

230 South Dearborn Street, Suite 3130

Chicago, Illinois 60604

(312) 596-4430 Office - (312) 596-4460 Facsimile

RICH
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 GREG
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 FILE

MARK
 JOE
 PERSONNEL
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 CITY TREASURER

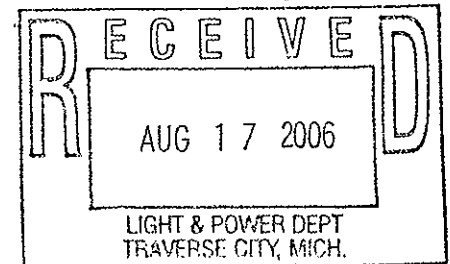
In reply refer to: P-2978, P-2979, P-2980

NATDAM Nos. MI00544, MI00512, MI00513

August 14, 2006

Mr. Richard L. Smith
Executive Director
Traverse City Light and Power
1131 Hastings Street
Traverse City, MI. 49686

Re: Plan and Schedule for Decommissioning



Dear Mr. Smith:

By letter dated April 13, 2006, you submitted a plan and schedule for decommissioning the powerhouses of the Brown Bridge (P-2978), Boardman (P-2979) and Sabin (P-2980) hydroelectric projects per the FERC Order Approving Conditional Surrender of License and Exemptions issued March 17, 2006.

You propose to remove electrical cabling between the generators and in-house switch gear from all three projects, as well as the step-up and spare transformers from the Brown Bridge Project. You indicate the transformers will remain at the Boardman and Sabin Projects to provide house service for continued operation of the gates, monitoring equipment, etc. As discussed in the March 17, 2006 Order, the dams and other project features will remain in place. You propose to complete this work within 60 days of our approval of this plan and schedule.

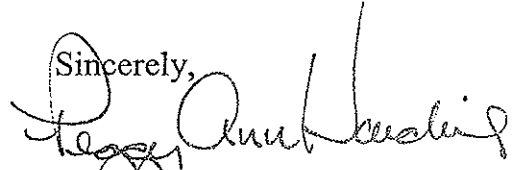
After discussion by telephone with Mr. Joseph Kaltenback on August 2, 2006, we understand that it is possible to bulkhead off the generating units for the Boardman and Sabin Projects to prevent flows through the units. However, Mr. Kaltenback indicates a bulkhead cannot be installed for the Brown Bridge Project because it would also block or eliminate flows to the spillway gates which are located within the powerhouse.

Your plan and schedule for decommissioning the powerhouses are acceptable with the additional measure of installing the bulkhead gates at the Boardman and Sabin Projects.

We remind you that ordering paragraph (D) of the March 17, 2006 Order requires you to file a final report demonstrating the projects have been decommissioned in accordance with the approved plan within 30 days of completion.

If you have any questions, you may contact me at 312.596.4438.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy A. Harding". The signature is written in black ink and is positioned above the printed name.

Peggy A. Harding P.E.
Regional Engineer