

Kari Dzedzic
State Senator

Senate District 60
Minneapolis



Bobby Joe Champion
State Senator

Senate District 59
Minneapolis

December 15, 2017

Daniel P. Wolf, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Via Electronic Filing
dan.wolf@state.mn.us

RE: Crown Hydro Proposed Hydroelectric Facility Project
PUC Docket Number: E-002/M-17-712

Dear Mr. Wolf:

We represent the State Senate districts that include the Mississippi Riverfront in North, Northeast, Southeast & Downtown Minneapolis including St. Anthony Falls Historic District.

The St. Anthony Falls area was designated a Historic District in 1971 and is listed in the National Register of Historic Places. It is the birthplace of Minneapolis. It is the heart of Minneapolis. It is also where the Crown Hydro project is proposed.

It was brought to our attention that the Minnesota Public Utilities Commission issued a notice on October 30, 2017, requesting comments on the following question.

Should the Commission take any action on the Crown Hydro RDF grant contract (AH01) under Minnesota Laws 2017, Chapter 94, Article 10, Section 29, or other authority?

We reviewed the Federal Energy Regulatory Commission ("FERC") and Minnesota Public Utilities Commission ("Commission") online records. There are numerous pages of filings and some of the earlier records are not very readable. Senator Dzedzic met with representatives of Crown Hydro at her office this fall to get a better understanding of the status of the project. Senator Champion was not able to attend that meeting.

Our discussions and review of the online records raised questions about the viability and feasibility of the project and its financing, the Renewable Development Fund ("RDF") Grant Contract, and the Power Purchase Agreement ("PPA"). Those questions are outlined below and lead us to wonder if any government entity is reviewing the totality of the proposed project and process. Who is monitoring the project to determine if it is still reasonable, prudent and in the public interest?

We believe renewable energy technology has advanced and public expectations related to the Mississippi Riverfront have changed over the last 15 years. Those changes along with the continued uncertainty with the many variations of the project over the years are reasons the Commission should seriously consider if the use of Renewable Development Funds for this project is in the best interest of rate payers.

Crown Hydro and FERC Background

Crown Hydro applied for a Federal Energy Regulatory Commission (“FERC”) Preliminary Permit Application in 1991 and FERC issued the Order granting the license in 1999. A short summary of the FERC project history is attached as Exhibit A for background purposes.

Crown Hydro Renewable Development Fund Grant Contract Background

Crown Hydro was awarded its Renewable Development Fund (“RDF”) Grant in the first funding cycle.

Xcel submitted the Contract for Commission approval on March 6, 2002, and the Commission issued an Order approving the Crown Hydro project selection and \$5.1 million grant funding on April 3, 2002. The Commission issued an Order approving the Contract on May 6, 2002.

The Crown Hydro RDF Grant Contract Terms and Conditions (“Contract”) including Exhibits A-E is dated January 17, 2002.

The Contract states it is governed by MN Law. The Contract has several definitions. Contract Start Date is defined as the date reimbursable expenses can begin and Contract End Date is defined as the last date reimbursable expenses can be incurred and is the expiration date of the contract. Contract Term is stated in Exhibit A.

The Contract requires the Renewable Development Fund Board to evaluate the Contractor – Crown Hydro – annually and present the evaluation to the Commission.

Failure to meet project schedule, milestones or deliverables is cause for termination under Section 16 of the Contract.

Exhibit A lists the Contract Start Date as January 1, 2002, and the Contract End Date as August 31, 2003. It lists the Contract Term as 20 months.

Exhibit A also lists the Scope of Work and gives a general description of the project including the design and construction plans. It estimates total construction and engineering cost to develop the project at approximately \$8.2 million.

Exhibit B, the Task Deliverable Schedule, lists the construction completion date as June 30, 2003. Exhibit C, the Budget & Project Payment Milestones, lists the construction of startup date as June 30, 2003. Exhibit D is the Contract Contacts. Exhibit E, the Confidential and Intellectual Property List, states it is not applicable.

Crown Hydro requested and received three amendments to the Contract. The first amendment is dated May 28, 2003, and amends Exhibits B, C & D. Exhibits B and Exhibit C extend the construction completion date and the completion startup date to December 15, 2004. The contacts are updated in the Exhibit D. Did the Commission approve the first amendment and if yes, when? If no, why not?

The second amendment to the Contract is dated April 13, 2006, and amends Exhibits B, C, & D. Exhibit B, Task Deliverables Schedule, and Exhibit C, Budget & Project Payment Milestones, were changed from actual dates to a time frame "calculated from acquisition of the Project property sufficient to comply with FERC requirements." Exhibit C also required monthly status reports commencing on February 1, 2006, and a detailed report regarding an acquisition plan and efforts necessary to achieve acquisition along with a proposed revised amendment if Crown Hydro did not have site control by July 31, 2006. Xcel requested the Commission formally approve the second amendment and the Commission approved the amendment on June 2, 2006.

The third amendment to the Contract, dated June 15, 2007, amends Exhibit C. Exhibit C, the Budget & Project Payment Milestones time frame stays the same as the second amendment and continues the required monthly status reports. It changed the date by which the property should be acquired to October 31, 2007. It also required a detailed acquisition plan report outlining efforts necessary to achieve acquisition along with an updated draft amendment if the property was not acquired by October 31, 2007.

A letter from Xcel to the Commission dated August 10, 2007, accompanying the third amendment states that this amendment revises the site control date, but all other elements of the grant contract continue unchanged and this third amendment falls into a "Type 2" category so no Commission action is needed.

Crown Hydro Renewable Development Fund Grant Contract Questions

Was Exhibit A ever amended? If yes, where is the amendment and what is the Contract End Date, the Term of the Contract, and the status of the Contract? If Exhibit A was not amended, why not? If Exhibit A was not amended, has the Contract expired since the Contract End Date and length of the Term have passed?

The October 2004 Annual Contractor Evaluation and the RDF Status Report state that Crown Hydro verbally requested an amendment to extend the deadline for completion of the project. Was the October 2004 Annual Contractor Evaluation forwarded to the Commission? Did the Commission ever discuss the evaluation or deadline for project completion at that time?

At any time after December 15, 2004 (the construction end date listed in the first amendment), did Xcel, the Commission, or the Commerce Department, thoroughly review and discuss the status of the project or the status of the Contract? Under what authority did the Contract continue after the December 15, 2004 date?

Were the monthly status reports required by the second and third Contract amendments provided to Xcel? Were those reports forwarded to the Commission or the Commerce Department? If no, did Xcel, the Commission, or the Commerce Department ever request them? Who reviewed those required monthly reports? Were the reports publicly posted by the Renewable Development Board, Xcel, the Commission, or the Commerce Department? If the required monthly status reports were not completed, why not?

Was the detailed plan and draft amendment required in the 3rd amendment if site control was not accomplished by October 31, 2007, filed with Xcel or the Commission for review? If yes, was it discussed publicly with the Commission and if enacted, when was it enacted? If it was not enacted, why not? Were the documents publicly posted anywhere? If a detailed plan and draft amendment were not filed with Xcel or the Commission, is Crown Hydro in compliance with the Contract requirements? Did Xcel or the Commission ever discuss the need for a 4th amendment, the status of the project and the RDF grant, the status of the Contract, or termination of the Contract after October 31, 2007? Has the Commission taken any action on the Crown Hydro RDF Grant Contract since October 31, 2007?

The Xcel RDF Quarterly Status and Progress Report Compliance Filing to the Commission dated October 31, 2013, states "The Crown Hydro (Crown) project has been in a period of "force majeure" since October 31, 2007 due to an inability to obtain site control for construction the project. This inability to gain site control has recently led to activities regarding financing and issues with Crown's Federal Energy Regulatory Commission (FERC) license pertaining to timing and boundaries." It further states that Crown Hydro is in conversations with parties for financing options.

Force Majeure is not defined or mentioned in the Contract. Did Xcel, the Commission, or the Commerce Department ever request information or discuss clarification of the "force majeure" language in the October 31, 2013 Status Report? Did Xcel, the Commission, or the Commerce Department request additional information on the activities regarding financing and financing options mentioned in the October 31, 2013 Status Report? If yes, what was received and discussed and what was the result of those conversations? Was any action taken? If no additional information was requested, why not? Did earlier Status Reports mention "force majeure" and if yes, when was "force majeure" first mentioned?

The Xcel May 4, 2017, RDF Quarterly Status and Progress Report states that "Crown is also working through litigation related to interim financing for the project. Recently the Minnesota Court of Appeals has issued a decision that a bailment lien for storage of equipment purchased through the RDF grant has priority over a second party's security interest in the equipment (see Attachment A). The appeals court affirmed a district court summary judgment of a breach of contract claim against Crown related to the second party's loan contract."

Did Xcel, the Commission, or the Commerce Department ever request additional information relating to the litigation or the interim financing for the project mentioned in the May 4, 2017 Status Report? Did Xcel, the Commission, or the Commerce Department ever request updated financial information relating the project? If yes, what was received and discussed? If no, why not?

What is the role of the Xcel, the Commission, and the Commerce Department in monitoring the progress of the projects and Contract compliance of the RDF grant recipients? What have Xcel, the Commission, and/or the Commerce Department done to enforce compliance of the Contract? Who is watching out for the best interests of the rate payer and tax payers?

Crown Hydro Power Purchase Agreement Background

The Power Purchase Agreement (“PPA”) between Xcel & Crown Hydro is dated January 23, 2003. Xcel requested the Commission approve the PPA on April 9, 2003. That petition to the Commission states it is part of a multistep process subject to Commission oversight and that Commission approval of the PPA is a required condition prior to disbursement of any grant amounts. The petition states that Xcel is asking for approval of the PPA and a determination that its terms and prices are reasonable and in the interests of its rate payers. The Commission Order approving the PPA is dated June 10, 2003.

The PPA includes Exhibits A-E and states that the Exhibits are incorporated as part of the PPA.

The PPA defines several terms including Commercial Operation, Commercial Operation Date, Commercial Operation Milestone, Construction Milestone(s), Facility, Site, Security Fund, and Term.

Commercial Operation means the period beginning on the Commercial Operation Date and continuing through the Term. Commercial Operation Date means the date that Xcel provides notification to Crown Hydro, pursuant to Section 4.7 (Conditions to Commercial Operation), of Crown Hydro’s declaration that all conditions specified in Section 4.7 have occurred or otherwise been satisfied.

Commercial Operation Milestone means the Construction Milestone for the Commercial Operation Date. The Commercial Operation Milestone is specified in Exhibit A as Commercial Operation Date. Construction Milestone means the date set forth in Exhibit A by which Crown Hydro agrees to achieve the corresponding results specified including the Commercial Operation Milestone. Exhibit A lists the completion of startup, testing and commission and the Commercial Operation Date in the same box and corresponding date as January 1, 2005.

Facility means Crown Hydro’s electric generating facility and interconnection Facilities identified and described in Article 3 and Exhibit B. Site means the parcel of real property on which the Facility will be constructed and located and described more specifically in Section 3.2 and Exhibit B. Section 3.2 says the location of the Facility is West River Parkway at Portland Ave in Minneapolis. Exhibit B consists of several maps. The online maps were not clearly readable.

Security Fund is defined as the fund Crown Hydro is required to establish and maintain pursuant to Section 11.1 as security for Crown Hydro’s performance under this PPA. Section 11.1 requires the fund be established and maintained at a level of \$100,000 throughout the Term. Article 11 requires additional security prior to the Commercial Operation Date.

Term is defined as the period of time during which this PPA shall remain in full force and effect in accordance with Article 2. Article 2 states the PPA shall become effective as the date of its execution, and shall remain in full force and effect through 20 years from the point of Commercial Operation Date, subject to early termination or extension.

The PPA requires Crown Hydro, "on or before June 1 of each Commercial Operation Year and pursuant to the Corresponding Construction Milestone," provide Xcel with insurance certificates acceptable to Xcel in compliance with Exhibit D. Commercial Operation Year is defined as a twelve-month period during the Term of the PPA, commencing with the Commercial Operation Date.

Article 12 of the PPA lists events that could lead to a default of the PPA. Section 12.1(C) states failure to meet the Commercial Operation Milestone shall constitute an Event of Default and outlines procedures to cure the default. The Commercial Operation Milestone is specified in Exhibit A as Commercial Operation Date.

Section 12.1(B)(3) states failure to generate at least 9,198,000 kW on a twelve-month rolling basis after the 12th full month following the Commercial Operation Date unless the event is attributable to an event of Force Majeure could lead to default. That section goes on to say the event of Force Majeure is subject to the provision of Section 14.3 (Limitations of Effect of Force Majeure).

Force Majeure is defined in Section 14 of the PPA.

Section 14.2 requires the non-performing Party give the other Party prompt written notice describing the cause of the occurrence of the Force Majeure and provide weekly progress reports on the actions taken to end the Force Majeure.

Section 14.3 states "in the event that any delay or failure of performance caused by condition or events of Force Majeure continues for an uninterrupted period of three hundred sixty-five (365) Days from its occurrence or inception, as notified pursuant to Section 14.2(A), the Party not claiming Force Majeure may, at any time following the end of such three hundred sixty-five (365) Day period, terminate this PPA upon written notice to the affected Party." Section 14.3 goes on to state that the Party not claiming Force Majeure may, but is not obligated to, extend additional time if the affected Party is exercising due diligence in its efforts to cure the conditions or events of Force Majeure.

Section 15.1(B)(4) of the PPA, requires Crown Hydro represent that the execution, delivery, and performance of its obligations under this PPA have been duly authorized, and do not or will not result in, or require the creation or imposition of any pledge, lien, security interest, or other encumbrance upon or with respect to any of the assets now owned or hereafter acquired that could reasonable have a material adverse effect on Crown Hydro's ability to perform its obligations under this PPA.

The PPA required Crown Hydro to enter into an Interconnection Agreement and provide Xcel with monthly status reports until the Commercial Operation Date is achieved.

An Xcel letter to the Commission dated September 14, 2007, accompanying a Status Report on Power Purchase Agreements and Resource Acquisition in Various Dockets says that the Crown Hydro project remains in Force Majeure.

Crown Hydro Power Purchase Agreement Questions

Has the PPA been amended? If yes, when was the amendment enacted and did it require Commission approval? Did the Commission ever request additional information from Xcel or Crown Hydro on the status of the PPA?

Was Exhibit A amended? If yes, when was the amendment enacted and did it require Commission approval? Did the amendment change the Commercial Operation Date? If yes, what is the new Commercial Operation Date and what year of the 20-year Term is 2018? If Exhibit A was not amended, what is the Commercial Operation Date, what year is 2018 of the 20-year Term, and does Exhibit A need to be amended?

What is the location of the Facility and the Site referred to in the PPA? Is the location of the Facility and the Site referred to in the PPA the same as the current proposal? If the project location has changed, has the PPA and/or Exhibit B been amended, and when were they amended? If they have not been amended, do they need to be amended?

Was the required Security Fund established and is it still maintained? If not, why not. If there is no Security Fund, is this a Default Event pursuant to Section 12.1(B)(2)?

Was Exhibit D amended? If yes, when was the amendment enacted and did it require Commission approval? Have insurance certificates been provided?

Does the PPA requires a construction bond or other continuing bond/ security to cover maintenance or replacement costs if the project damages any of the historic elements in the St. Anthony Falls Historic District?

Did Crown Hydro provide Xcel a prompt written notice describing the particulars of the occurrence of the Force Majeure as required in the PPA? When did they provide the notice, was it forwarded to the Commission and publicly posted anywhere? If not, why not? What does the notice claim is the reason for the Force Majeure? The Contract requires the PPA but the PPA does not reference the Contract. How does the Force Majeure in the PPA impact the Contract?

Section 14.2 of the PPA requires weekly progress updates describing actions taken to end the Force Majeure. Were the weekly reports filed with Xcel, forwarded to the Commission, or publicly posted anywhere?

Did Xcel ever discuss terminating the PPA pursuant to Section 14.3 with the Commission or request guidance from the Commission? Did the Commission ever request any additional information on the Force Majeure status or Xcel's options relating to the Force Majeure pursuant to Section 14.3?

Does the bailment lien, security interest, and/or breach of contract claim mentioned in the May 4, 2017 RDF Status Report create a material adverse effect on Crown Hydro's ability to perform its obligations under this PPA? Is this an Event of Default pursuant to Section 12.1(D)(3)?

Has Crown Hydro entered into an Interconnection Agreement? Has Crown Hydro filed with Xcel the monthly status reports required in the PPA?

Did Xcel, the Commission, or the Commerce Department ever request information relating to a possible default event pursuant to the PPA from Crown Hydro? Has the Commission ever discussed a possible default event pursuant to the PPA? Did Xcel or the Commission ever notify Crown Hydro they may be in default of the PPA? What responsibility does Xcel and the Commission have in monitoring the PPA? Whose responsibility is it to monitor and enforce PPA compliance?

Has Xcel, the Commission, or the Commerce Department ever discussed if the current PPA is still reasonable and in the best interests of rate payers? Is it still reasonable and in the best interests of rate payers? Does Xcel or the Commission have authority to require the PPA agreement be updated and amended?

The St. Anthony Falls Historic District – The Crown Hydro Project Area of Potential Effect

The Mississippi Riverfront has changed significantly since the original Crown Hydro Federal Energy Regulatory Commission ("FERC") Preliminary Permit Application was filed in 1991 - three years before the Iconic Stone Arch Bridge was converted and open to pedestrian traffic.

The 2002 letter from Xcel to the Commission accompanying the Crown Hydro RDF Grant Contract said the project would help revitalize the Mississippi Riverfront at Mill Ruins Park. The 2003 petition accompanying the PPA also states that "the project expects to have an important contribution to the efforts of the City of Minneapolis, The Minneapolis Park and Recreation Board and the St. Anthony Falls Heritage Board in furthering their initiative to revitalize the Mississippi riverfront."

15 years later, the St. Anthony Falls area has seen a resurgence. It is revitalized. It is a completely different riverfront.

Over \$300 Million Dollars of taxpayer money has been invested in the riverfront area in the last 20 to 25 years and that has leveraged billions of dollars of private cultural and residential reinvestment. Mill Ruins Park opened in 2001, the Mill City Museum opened in 2003, and the Guthrie Theater opened in 2006. Over 2.5 Million visitors now cross the Stone Arch Bridge every year. Those visitors enjoy the view of the Minneapolis Skyline and the St. Anthony Falls, the only major waterfall on the Mississippi River. The Stone Arch Bridge is a major connector path along the riverfront which is the focus of many parks and trails including the Mill Ruins Park and the proposed new Water Works Park near the US Army Corp of Engineers ("USACE") lock facility.

The new proposed Crown Hydro site at the USACE lock facility could negatively impact the pedestrian traffic and recreation in the parks and trails in the area if a security perimeter fence is required around the power plant as a safety precaution. The site could conflict with planned development in the area including the Water Works Park, and possibly the disposition of the USACE Lock Facility.

We believe the community should be part of the discussion about the future of the USACE Lock Facility site and that it would be in the beneficial for many parties if the disposition study is finalized before any action is taken that could impact the future of the Lock site.

The original Request for Proposal rated projects based on certain criteria including Project Approach and Work Plan, Project Team, Economic Development Impact, and Cost-effectiveness. With all the new development in this area, we question the economic development impact of the project on the area and the cost-effectiveness after 15 years. We are worried the project could have negative consequences on the area, especially if a security perimeter is required around the power plant in the middle of the park area and if the construction and operation are not closely monitored. Who would be responsible to ensure compliance going forward?

Our communities want affordable renewable energy and value the historic and cultural resources in the area. They want transparency and demand a voice in area projects and development that impacts the livability of their neighborhoods.

We both support the Clean Power Plan and the development of renewable energy that is reasonable, prudent, and in the best interest of rate payers and tax payers.

The Xcel Energy Renewable Development Fund 2011/2012 Biennium Report to the Minnesota Legislature and the Minnesota Public Utilities Commission states on page 13 that “the RDF program has generally given project sponsors every opportunity to be successful, and we have approved contract extension amendments providing additional time to achieve specific milestones.” It continues to say that “Waiting indefinitely can have negative effects on Xcel Energy’s ratepayers by tying up funds that could be used for other projects, and putting already expended RDF dollars at risk due to the inability of a project sponsor to timely complete the project.”

The Xcel Energy Renewable Development Fund 2015/2016 Biennium Report to the Minnesota Legislature and the Minnesota Public Utilities Commission says that the average project length is a little over 3 years. That report states that 16 of the 17 projects from the first funding cycle in 2002 are complete.

The Crown Hydro project has had 15 years to complete construction and start operation. We acknowledge the project has run into some hurdles but believe they had time to resolve those obstacles. We don’t know of any State Bonding projects, Environmental and Natural Resources Trust Fund projects, or Legacy and Outdoor Heritage projects that received 15 years to complete a proposed project.

We realize we asked a lot of questions and would appreciate a response to those questions. It would help with the transparency of the project and the process and could alleviate and mitigate a lot of fears and concerns about the project and the process in our community. We hope the questions and the answers help the Commission with its decision-making process.

The Xcel Energy Renewable Development Fund 2013/2014 Biennium Report to the Minnesota Legislature and the Minnesota Public Utilities Commission states on page 5 that the Minnesota Legislature amended the RDF Statute in 2012 and that the changes recognize that the Commission is the appropriate entity to exercise oversight of the RDF program. The Xcel Energy Renewable Development Fund 2015/2016 Biennium Report to the Minnesota Legislature and the Minnesota Public Utilities Commission states on page 2 that the 2012 amendments provided more flexibility for the Commission to disapprove or modify proposed RDF expenditures that it finds to be non-compliant with prior orders or otherwise not in the public interest.

The Commission has the authority to thoroughly review the economic feasibility and financial viability of the Crown Hydro project and determine if project funding is in the public interest or if rate payers would be better served with the Renewable Development Funds going to another project.

We respectfully request that you forward this letter to the Commission Members. Thank you for your time and the opportunity to submit our comments on this matter.

Sincerely,



Senator Bobby Joe Champion
MN State Senate District 59



Senator Kari Dziedzic
MN State Senate District 60

CC: Rick Evans, Xcel
Grania McKiernan, Xcel
Jessica Looman, Commerce Commissioner
Allison Groebner, Commerce Department
Jacob Frey, Minneapolis Mayor-Elect
Steve Fletcher, Minneapolis Ward 3 Councilmember-Elect
Liz Wielinski, Minneapolis Park and Recreation Board Commissioner District 1
Peter McLaughlin, Hennepin County Commissioner District 4
Linda Higgins, Hennepin County Commissioner District 2

Exhibit A

PROJECT HISTORY AND BACKGROUND

Crown Hydro FERC License Project Summary

Crown Hydro applied for a preliminary permit for the Crown Mill Project, FERC #11175, in 1991. FERC issued an Order granting the preliminary permit in 1992. Crown Hydro submitted the complete application for an original major license for the Crown Mill Project around 1/3/95.

The Environmental Assessment was finalized in September 1997 and estimates construction cost to be around \$5,485,000.

On March 19, 1999, FERC released the Order Issuing the License (“License”) to construct, operate and maintain the Crown Mill Hydroelectric Project located in the Crown Mill Roller Building in Minneapolis.

The FERC License is for a period of 50 years and is subject to the terms and conditions of the Federal Power Act. The License outlines several requirements including a financing plan, an operation and maintenance plan, and implementation of the Programmatic Agreement including Cultural Resources Management Plans.

On February 10, 2005, FERC issued an Order dismissing Crown Hydro’s amendment application to move the site to Mill Ruins Park and on June 1, 2005, FERC issued an Order denying a rehearing on the amendment.

FERC sent a letter to Crown Hydro on May 25, 2011 stating that a review of the filings and the records show no progress towards obtaining a lease agreement to construct the project since 2009. Crown Hydro filed a response on June 23, 2011, stating its intent to file an amendment application to develop a substantially different project. Crown Hydro filed a supplemental response in August 2011.

On June 14, 2012, FERC issues a Notice of Initiation of Proceeding to Terminate License by Implied Surrender and Soliciting Comments and Motions to Intervene. The filing states that Crown Hydro has performed no on-site construction or ground-disturbing activities and has failed to complete construction of the project as licensed.

Crown Hydro responded to the Termination Notice in July 2012. Crown Hydro acknowledged that an extraordinarily long-time period ensued since the issuance of the License.

On April 30, 2015, Crown Hydro filed an application to amend its FERC License to relocate the project to the US Army Corp of Engineers (“USACE”) Upper St. Anthony Falls Lock site.

On February 25, 2016, FERC designated Crown Hydro as the non-federal representative for carrying out the day-to-day consultation regarding the licensing efforts pursuant to Section 106 of the National Historic Preservation Act (“NHPA”).

A Draft Environmental Assessment was filed in September 2016. It states the project would occupy 4.336 acres. It also states the cost to construct the project facilities and implement environmental enhancement and protection measures at an estimated capital cost of \$12,683,000 (2016 dollars).

The Upper St. Anthony Falls Lock and Dam closed in June 2015 due to concerns about invasive carp. In September 2017, the USACE notified FERC that it received approval to proceed with a disposition study to consider the future of the Upper St. Anthony Falls Lock and Dam, the Lower St. Anthony Falls Lock and Dam, and Lock and Dam No. 1. They state the study could result in a recommendation to Congress to de-authorize these projects and dispose of the property. The study should be completed around January 2019.