

A Community Conversation About Calkins Bridge (Allegan) Dam

Elizabeth Riggs and Maggie Pallone,
Public Sector Consultants

Marianne Walter and Derek Nofz,
Consumers Energy

August 31, 2022



Consumers Energy



PUBLICSECTORCONSULTANTS.COM

Conversation Objectives

- **Share information** about the development of Consumers Energy's long-term hydro strategy
- **Gain community-wide understanding** about the process and future scenarios
- **Gather input** on community factors that should be accounted for in the strategy



Consumers Energy
Count on Us®



PUBLICSECTORCONSULTANTS.COM

Overview of Consumers Energy River Hydro Strategy

August 2022



CE River Hydro History



Owned more than 90 river hydro assets



Typically, small multiple-use assets that supported a local community



Generation advances and exhaustion of prudent locations stopped expansion



70+ assets sold or retired between 1940 and 1970 due to asset value (customer value vs. cost)

River Hydro Fleet Details

Dam	Capacity (MWs)	Average MW/day	Plant Commissioned	FERC License Expiration Date
Rogers	6.75	2.66	1906	6/30/2034
Hardy	31.5	11.87	1931	6/30/2034
Croton	8.85	3.79	1907	6/30/2034
Hodenpyl	17	5.57	1925	6/30/2034
Tippy	20.1	7.13	1918	6/30/2034
Calkins Bridge	2.55	1.52	1935	3/31/2040
Webber	3.25	1.3	1907	5/31/2041
Mio	5	1.74	1916	6/30/2034
Alcona	8	3.29	1924	6/30/2034
Loud	4	2.08	1913	6/30/2034
Five Channels	6	2.79	1912	6/30/2034
Cooke	9	3.15	1911	6/30/2034
Foote	9	3.51	1918	6/30/2034
Total:	131	50	About 1% of CE Total Generation	

Regulatory Agencies



- Michigan Public Service Commission
- Federal Energy Regulatory Commission (FERC)
 - Division of Hydropower Administrative and Compliance (DHAC)
 - Michigan Department of Environment, Great Lakes, and Energy (EGLE)
 - Michigan Department of Natural Resources (DNR)
 - U.S. Fish and Wildlife Service
 - U.S. Forest Service
 - Michigan Hydro Relicensing Coalition
- Division of Dam Safety and Inspections

Detailed Review

-  Safety
-  Complying with regulations
-  Cost of operation
-  Environment
-  Community
-  Recreation



Safety

-  Satisfactory Condition with FERC
-  FERC Inspections
-  Owner's Dam Safety Program
-  Public Safety



Complying with Regulations

- 

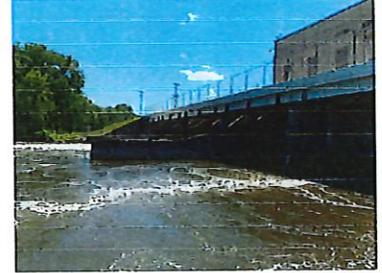
Division of Hydropower Administration and Compliance
- 

FERC Licensing Process

 - Integrated Licensing Plan
- 

Dam Safety and Inspections

 - Updated Regulations in 2022



Cost of Operation (Fleet)

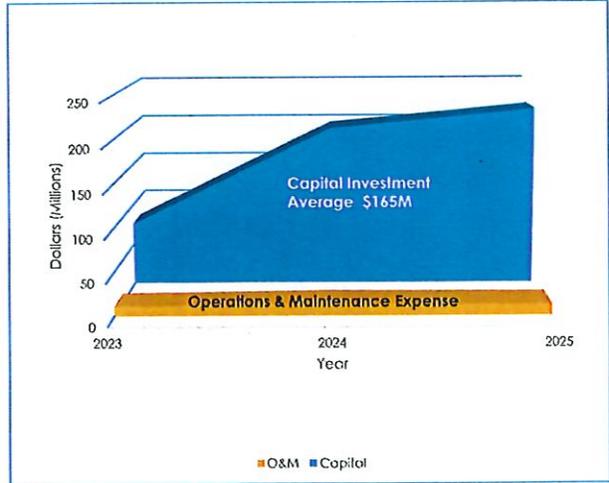
Benefit of CE River Hydros:
 Total average value = \$12.9M/year

Cost of River Hydros:
 Operations and maintenance = \$12.6M/year

• Funding for internal/external labor to operate and maintain equipment.

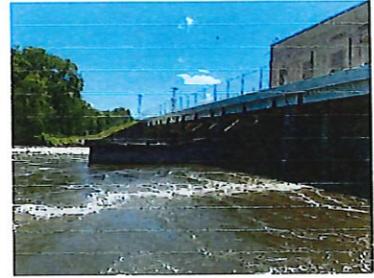
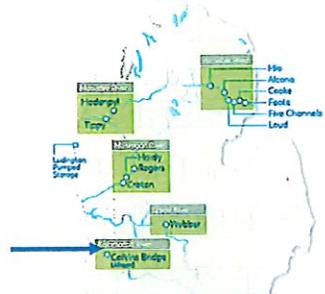
Capital investments = \$165.0M/year

• Major projects i.e.: replacement of spillway, new generators, new spill gates, new splash wall, or new wicket gates



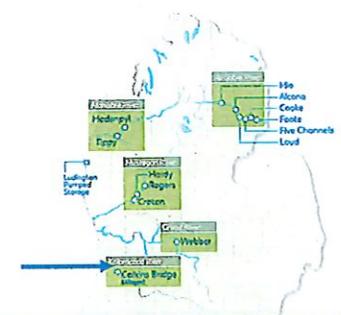
Community

-  Allegan Dam Road Bridge
-  1,659-acre Lake Allegan
-  Desirable, large lake lots
-  Here for feedback



Recreation

-  Approximately 6,000 annual recreational visitors
-  Two boat launches
-  Downstream fishing access
-  Neighboring Allegan State Game Area recreational opportunities



Future Scenarios

- Relicense the dam, meeting all the new regulatory requirements, and continue to generate power
- Surrender the license and sell the dam to a third-party owner, who could maintain the dam structure and impoundment
- Remove the dam and return the river to its natural state
- Replace the dam with an alternative structure

Relicensing – Integrated Licensing Process

- Relicensing is handled through FERC and takes approximately five years
- The process involves the general public, nongovernmental organizations, tribal, state, federal, and local government input
- The applicant needs to demonstrate how it will address—either through mitigation, protection, or enhancement projects—the resources surrounding the dam and the dam itself
- Examples of issues the applicant will need to study are:
 - Water quality and other environmental issues
 - Fish and wildlife
 - Cultural
 - Recreation
 - Aesthetics
 - Land use
 - Tribal resources

Surrendering the FERC License

- Consumers may choose to no longer generate power and not relicense the facility. This process would require them to file a request [with FERC to surrender their license](#)
- Without power generation, Consumers could look to alternative options for the dam:
 - Transfer ownership of the dam to a different party
 - Remove the dam and restore the natural flow of the river
 - Replace the dam with an alternative structure
- All of these options involve significant input and sign off from many regulatory agencies



Removal of a Dam

- The process for [removing a dam](#) is regulated by state and federal agencies. When considering a dam removal, the applicant and regulators consider:
 - **Benefits of the dam and the impoundment** (preventing the movement of aquatic invasives, sediment control, historical significance, transportation uses, water supply, flood control, recreational boating, fishing, swimming, etc.)
 - **Concerns with the dam** (safety and security, costs and liabilities of keeping the dam, environmental and ecological impacts, impediments to fish and other species movement, etc.)
 - **Engineering and design considerations** for the removal of the dam itself and the rehabilitation of the ecosystem
 - **Property rights** and bottomland ownership issues
 - **Costs and potential funding sources** for the removal



Transferring Ownership

- Example: Four Lakes Task Force—four dams located on the Tittabawassee River in Midland and Gladwin Counties
- Ownership was transferred from a private party to the Four Lakes Task Force, which oversees the Special Assessment District (SAD) on behalf of the counties
- Counties established a [SAD](#) to allow for the property owners located on the impoundments to pay an operations and capital improvements assessments for the purpose of maintaining legally established lake levels
- Process involved FERC, EGLE, and local county officials



Replacing the Dam

- When a full removal of the dam does not meet the needs of the community, regulators, and/or dam owners, dams sometimes can be replaced with an in-river structure. These options may include:
 - Modifications to the current dam
 - Replacing the dam with a different dam structure (e.g., low-head dam)
 - Rock structure

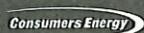


Engagement Process and Plan Development Timeline

- August–October 2022: Pre-strategy development community engagement
 - Community meetings around each dam
 - Website launched
 - Survey of property owners located within 100 feet of Consumers' property lines
- 2023: Long-term hydro strategy is developed
- 2023–2034: Relicensing and/or retiring process underway, including community engagement

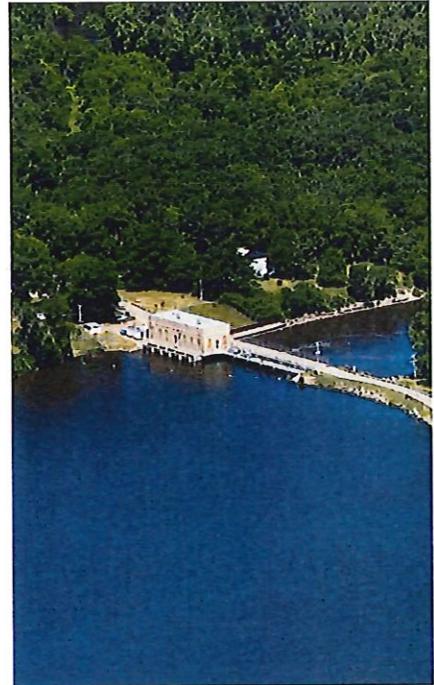


Community Input



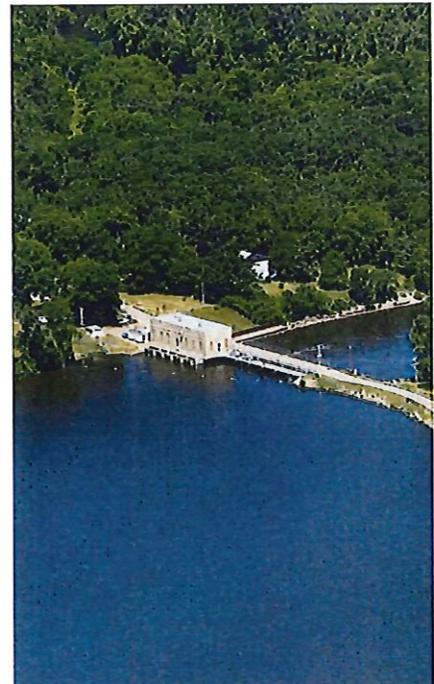
Community Input

What is this community's relationship to the river, the dam, and its impoundment?



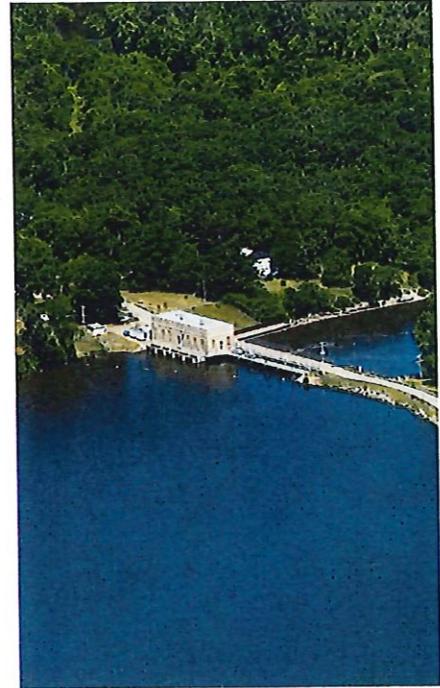
Community Input

How would that relationship change if the dam was retired and removed?



Community Input

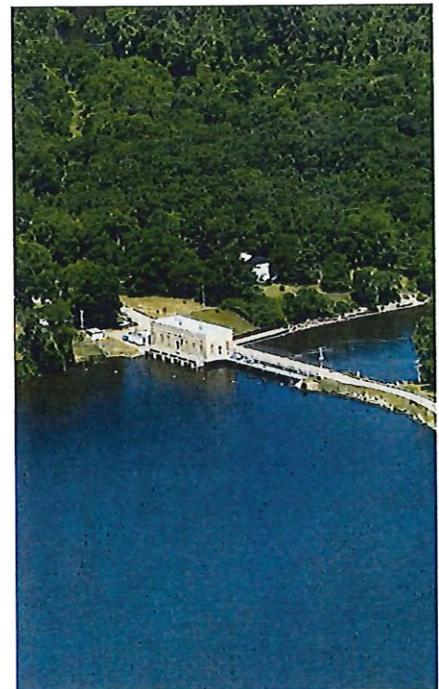
Does the information presented this evening change your opinion on the dam and its future?



Community Input

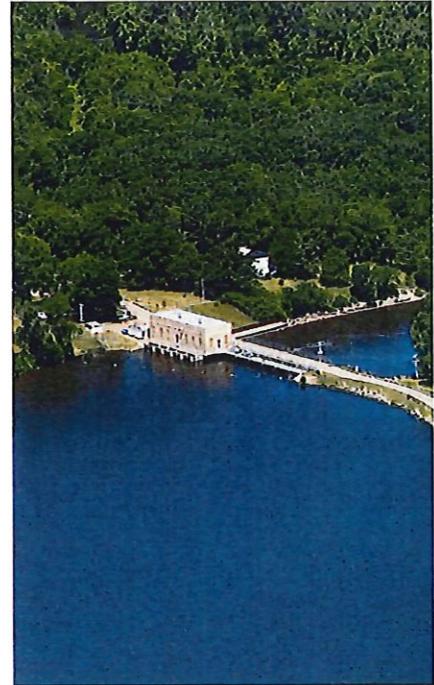
What factors do you believe Consumers Energy should prioritize when determining the future of the dam?

- Safety
- Regulations compliance
- Community
- Operations costs
- Environment
- Recreation



Community Input

What would Consumers Energy need to do to make you feel their decision is sound?



For more information, please visit
www.consumersenergy.com/hydrofuture





PUBLIC SECTOR
CONSULTANTS

Consumers Energy



Lakefront homeowners worry as Consumers Energy considers removing Lake Allegan dam

Maria Serrano | News Channel 3

ALLEGAN, Mich. — There is uncertainty about the destiny of an Allegan County dam, leaving homeowners with lakefront properties scrambling about what the future holds.

“Look around. If this goes away it’s going to really devastate our community even further than people that live at the lake, businesses, townships,” said Carole Catherine, lakefront homeowner and Lake Allegan Association member.

Consumers Energy said as part of discussing the future of hydroelectric power in Michigan, they’re now analyzing the dams they own. There are 13 dams in the state of Michigan that Consumers Energy owns and their licenses are expiring in the next 12 to 22 years.

One of those dams is the Calkins Bridge Dam in Lake Allegan.

Previous Coverage: [Residents worried removal of nearby dam may destroy Allegan Lake](#)

News Channel 3 spoke to homeowners that have lakefront properties there and are opposed to one of the options Consumers is considering because it’ll significantly reduce the value of their homes.

“The impact is right now if you look around the lake, home sales have stopped as soon as this announcement was made. People have been unable to sell their homes,” said Tim Catherine, lakefront homeowner and Lake Allegan Association member.

Tim and Carole Catherine said Consumers Energy’s announcement came as a total surprise.

“The concern and real impact on our value from Consumers weighing their choices has really kept us up at night,” said Tim.

The Catherine’s purchased their home in 2017 and have always wanted to live on a lake.

“Purchasing on the lake is a significant investment and it was an intentional investment on our part,” said Tim.

Don and Stacey Harbour live on the south part of the lake and said there’s a lot of environmental issues and economic impacts at stake, including concerns for wildlife and the loss of rich history.

“We want to see the lake preserved. The lake is what drew us here,” said Don Harbour, homeowner and Lake Allegan Association member.

Consumers Energy said removal of the Calkins Bridge Dam is not set in stone, and no decision has been made.

“I want to be very clear about this point. The removal option is just one option that is being considered,” said Josh Paciorek, a spokesperson for Consumers Energy.

“Our message is that we're listening to them, we are empathetic, and we are understanding of these communities concerns,” said Paciorek. “We’re doing what's best for the economy, doing what's best for the environment, doing what's best for Michigan’s people. That's going to be something that we pay really close attention to.”

Allegan Advisory: [Harmful algae bloom advisory lifted for Allegan County's Swan Lake](#)

Consumers Energy said they’ve finished community meetings and are also meeting with stakeholder groups to get their feedback on these options. They’ll present it to the top decision makers at Consumers Energy, evaluate it and develop a long-term strategy for the future of these dams in 2023.

“They talk about people, prosperity and the planet,” said Tim. “I would point them back to that and do they really believe that.”

Consumers Energy said no matter what decision ends up being chosen, it will be a “a very long process” until the Calkins Bridge Dam license expires in 2040.

Pam Aalderink

From: Rich LaBombard
Sent: Monday, October 17, 2022 9:21 AM
To: davebette@charter.net
Cc: Pam Aalderink
Subject: RE: The Lake Allegan Association -Calkins Dam

Received and forwarded to the City Clerk.

Rich LaBombard
City Manager

From: davebette@charter.net <davebette@charter.net>
Sent: Friday, October 14, 2022 1:56 PM
To: Rich LaBombard <rlabombard@douglasmi.gov>
Subject: The Lake Allegan Association -Calkins Dam

Dear Mr. LaBombard,

My name is David Thompson. I live on Lake Allegan and as a Lake Allegan Association Board member I am reaching out to cities between the Lake Allegan Calkins Bridge Dam and Lake Michigan. The Lake Allegan Association currently has 333 members living on Lake Allegan

We are working closely with the Allegan Township Board, the Valley Township Board and the Allegan County Commission to address the recent announcement from Consumers Energy that destroying the Calkins Bridge Dam and allowing Lake Allegan to drain to Lake Michigan is being considered. This is only one possible decision Consumers Energy proposed. Consumers Energy's Josh Burgett indicated that while it may take five to ten years to completely destroy the Dam a decision is planned to be made by last quarter of 2023 on the fate of the Dam.

There has been no indication that the pollution will be cleaned up before the dam is removed.

With the possible removal of the Allegan City Dam a great deal of highly polluted sediment will travel to Lake Allegan only to back-up at the Calkins Dam and if the Calkins Dam is removed the pollution will move on to your river front and Lake Michigan.

Removing the Calkins Dam will release an estimated 628,169,600 gallons of polluted water hitting your shores. Along with an estimated 1.5 million carp and other polluted fish and five kinds of invasive weeds (tall thimbleweed, garlic mustard, maianthemum, bloodroot, wine grape and millfoil).

It will also release very high levels of phosphorus into the river going on to Lake Michigan.

The Lake Allegan Association is looking into investing into an Economical Study of Allegan and the surrounding townships. The loss of tax revenue alone will destroy Allegan and Valley Townships.

Please receive this email as a respectful communication with you and your office. We are in no way trying to interfere with your office or business. We would very much like your support in convincing Consumers Energy to keep the Calkins Bridge Dam, we will but respect your viewpoint.

Kindest Regards,

Dave Thompson

Lake Allegan Association