**SCOTT’S MILL HYDRO, LLC**

November 19, 2020

The Honorable Kimberly Bose, Secretary

Federal Energy Regulatory Commission

888 First Street, NE

Washington, DC 20426

*RE:* ***SCOTT’S MILL HYDROELECTRIC PROJECT***

***FERC PROJECT NO. 14867-001***

***INITIAL RESPONSE TO COMMISSION OCTOBER 28, 2020 LETTER***

Dear Secretary Bose:

On October 28, 2020, the Federal Energy Regulatory Commission (Commission) transmitted a deficiency letter to Scott’s Mill Hydro, LLC (FERC No. P-14867-001). The Commission’s letter noted that to qualify for an exemption, Scott’s Mill needed to either obtain the property rights to the proposed boat ramp and parking lot or remove the proposed boat ramp from the exemption application. Further, Scott’s Mill is required to notify the Commission within 30 days of its intent to file a revised exemption application containing information requested in Schedule A or convert the exemption application to a license application.

This letter is to notify the Commission that Scott’s Mill intends to move forward with the exemption application. We are in negotiations with Liberty University, the owner of the subject parcel, to acquire the parcel either in fee simple or sign a long-term lease. The owner of the parcel wishes to pursue a boat ramp at the proposed location. The final details have yet to be worked out with the Liberty University, but discussions have been encouraging.

Simultaneously, we are working with resource agencies to convert the Agreement in Principle to a Settlement Agreement (SA). The SA will include a boat ramp and associated parking area. If the agreement with Liberty University cannot be finalized within 120 days from the Commission’s letter (i.e., February 25, 2021), Scott’s Mill will remove the boat ramp from the exemption application and pursue the boat ramp as part of the SA. The resource agencies have stated they concur with this approach provided that the SA is legally enforceable. Scott’s Mill has committed to the resource agencies that it will continue negotiations with Liberty University to ensure that a boat ramp becomes a reality. Should that parcel ultimately not work out, Scott’s Mill will continue to pursue alternative locations as part of the SA.

Scott’s Mill will file documentary evidence that it has the real property interests to all lands necessary to develop and operate the proposed project when it files the additional information requested in Schedule C of the Commission’s letter.

Scott’s Mill has notified the US Fish and Wildlife Service and the Virginia Department of Wildlife Resources per Section 4.301 of the Commission’s regulations to provide a reasonable estimate of the total costs the agencies anticipate to incur for setting the mandatory terms and conditions for the proposed project under section 30(c) of the Federal Power Act. We will also include the associated fee or bond at the time of our subsequent filing.

Assuming the Commission issues the exemption according to the schedule contained in the Commission’s notice of the exemption application, Scott’s Mill intends to start construction in the late summer of 2022. Scott’s Mill anticipates a 2-year construction process with a project on-line date of fall 2024.

If you have any questions, feel free to contact me at (540) 320-6762 or Wayne Dyok at (916) 719-7022.

Sincerely,

 for

Mark Fendig, Managing Member