NOTICE OF INTENT TO FILE APPLICATION FOR ORIGINAL LICENSE

SCOTT'S MILL HYDROELECTRIC PROJECT (FERC No. 14425) SCOTT'S MILL HYDRO, LLC

AUGUST 31, 2015

1. Potential applicant's name and address:

Scott's Mill Hydro, LLC Liberty University Attention: Mr. Lee Beaumont 1972 University Boulevard Lynchburg, VA 24502

2. Project number:

FERC No. 14425

3. License expiration date, if any:

N/A - No current license exists for FERC Project No. 14425.

4. Unequivocal statement of potential applicant's intention to file an application for an original license:

Liberty University/Scott's Mill Hydro, LLC hereby unequivocally declares its intent to apply for an original project license for the Scott's Mill Hydroelectric Project, FERC No. 14425.

5. Type of principal project works to be licensed, if any, such as powerhouse, transmission lines, dam and reservoir:

The Scott's Mill Hydroelectric Project would be located at the existing Scott's Mill Dam on the James River, downstream of the Reusens hydroelectric dam. The existing Scott's Mill Dam facilities include the: 1) dam, 2) reservoir, and 3) spillway. The dam is 15 feet high and 875 feet long. The dam impounds a 316-acre reservoir, with a normal maximum water surface elevation of 511 feet MSL.

The applicant proposes to construct a new powerhouse containing four generating units with a total installed capacity of 3.8 MW, a new 500 foot-long underground transmission line, and appurtenant facilities. The project will have an estimated annual generation of 13,500 megawatt-hours, and will either be used by Liberty University (LU) or sold to a local utility.

6. Location of project, as appropriate - state, county, stream, city, nearby city:

State: Virginia

County: Amherst County / Bedford County

Stream: James River **Nearby City:** Lynchburg, VA

Amherst County Tax Parcel: 160-A-15A 160A1 (2.93 acres)

River Basin: Middle James River-Buffalo River (HUC 02080203) **Watershed:** James River-Harris Creek (HUC 0208020303, JM-C)

Sub-Watershed: James River-Opossum Creek (HUC 020802030305, JM11)

Latitude/Longitude: 37.424466 N, -79.140858 W

Elevation: 500-550 feet MSL

7. Installed plant capacity, if any:

Scott's Mill, LLC proposes to install four generating units with a total installed capacity of 3.8 MW.

8. Names and mailing addresses of:

i) Every county in which any part of the project is located, and in which any Federal facility that is used or to be used by the project is located;

Portions of the project are located in Amherst and Bedford Counties, Virginia and the City of Lynchburg, VA.

Bedford County Administrator 122 East Main Street, Suite 202 Bedford, VA 24523

Amherst County Administrator 153 Washington Street Amherst, VA 24521

Lynchburg City Manager 520 Taylor Street Lynchburg, VA 24502

The project is located on the existing Scott's Mill Dam, which is owned by Luminaire Technologies, Inc.

9912 Wilson Highway

Mouth-of-Wilson VA, 24363 Attention: Mr. Mark Fendig

No federal lands are involved.

ii) Every city, town or similar political subdivision

A) In which any part of the project is or is to be located and any Federal Facility that is or is to be used by the project is located within 15 miles of the existing or proposed project dam;

Portions of the project are within the city limits of Lynchburg, Virginia.

Mr. Timothy Mitchell, PE City of Lynchburg Utilities Administrator 520 Taylor Street Lynchburg, VA 24501

- iii) Every irrigation district, drainage district or similar special purpose political subdivision
 - A) In which any part of the project is or is proposed to be located and any Federal facility that is or is proposed to be used by the project is located; or

The project is located within the City of Lynchburg's water supply territory.

Mr. Timothy Mitchell, PE City of Lynchburg Utilities Administrator 520 Taylor Street Lynchburg, VA 24501

B) That owns, operates, maintains or uses any project facility or any Federal facility that is or is proposed to be used by the project

The project is located within the City's water supply area.

Address: End of Adams Street: Lynchburg, VA 24503

Attention: Timothy Mitchell, PE

iv) Every other political subdivision in the general area of the project or proposed project that there is reason to believe would be likely to be interested in, or affected by, the notification; and

There are no other political subdivisions in the general area of the project that are believed to be interested in, or affected by, this notification.

(v) Affected Native American Indian Tribes.

The following Native American Tribes have been identified as having a potential interest in the Scott's Mill Hydroelectric Project based on other FERC licensing

processes on the James River and the Commission's list of contacts: 1) Cherokee Nation; 2) Eastern Band of Cherokee Indians; 3) Monacan Tribe; 4) Tuscarora Indian Nation, 5) Absentee-Shawnee, 6) Eastern Shawnee Tribe of Oklahoma, 7) Shawnee Tribe, and 8) United Keetoowah Band of Cherokee Indians.

Cherokee Nation Cultural Resources Specialist P.O. Box 948 Tahlequah, Oklahoma 74465

Eastern Band of Cherokee Indians Cultural Resources Department P.O Box 455 Cherokee NC 29718

Ms. Diane Shields Monacan Tribe 349 Ebenezer Road Amherst, VA 24521

Tuscarora Indian Nation Chief 5616 Walmore Road Lewistown, NY 14092

Absentee-Shawnee Tribal Historical Preservation Officer 2025 S. Gordon Cooper Drive Shawnee, OK 74801

Eastern Shawnee Tribe of Oklahoma Tribal Historical Preservation Officer P.O. Box 350 Seneca, MO 64865

Shawnee Tribe Tribal Historical Preservation Officer P.O. Box 189 Miami, OK 74355

United Keetoowah Band of Cherokee Indians Chief P.O. Box 189 Parkhill, OK 74451

Request for Non-Federal Designation

Pursuant to 18 CFR 5.5 (d), applicant requests to be designated as the Commission's non-Federal representative for purposes of consultation under Section 7 of the Endangered Species Act (ESA) and the joint agency regulations thereunder at 50 CFR Part 402, Section 305(b) of the Magnuson-Stevens Fishery Conservation and Management Act and the implementing regulations at 50 CFR 600.920. Applicant also requests authorization to initiate consultation under Section 106 of the National Historic Preservation Act (NHPA) and the implementing regulations at 36 CFR 800.2(c)(4).

Request to use Traditional Licensing Process

LU requests authorization to use of the Traditional Licensing Process (TLP) for licensing the Scott's Mill Hydroelectric Project. Scott's Mill Dam is an existing dam on the James River. Since downstream flows would not be changed by the project, LU does not expect complexity in the resource issues. LU anticipates a low level of controversy related to the licensing, because LU is committed to work with resource agencies and the public to restore diadromous fish to the Upper James River to the extent they reach Scott's Mill Dam. LU recognizes that some parties may be interested in decommissioning of the dam, but there are six upstream dams within 22 miles of Scott's Mill Dam. Because of the limited number of issues, the traditional licensing process will be the lowest cost licensing process (since it has a lesser administrative burden). Because a number of other nearby James River projects have recently been re-licensed (as presented in the PAD), considerable information exists upon which to base the licensing decision. Furthermore, Section 6 of the Hydropower Regulatory Efficiency Act of 2013 promotes hydropower at non-powered dams. As a non-powered dam, Scott's Mill meets the criteria for FERC to expedite the licensing process. The TLP offers the best potential for timely license issuance.

LU proposes one modification to the TLP. LU proposes that the Commission conduct early scoping at the joint meeting. LU anticipates that this will expedite the licensing process and ensure that participants raise potential issues at the onset of the study development process.