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FERC approves decommissioning of Ariz. hydro project; full flows to be restored

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A central Arizona stream that supports several endangered species will soon flow freely again after federal regulators last week approved the decommissioning of a century-old hydroelectric project. The Federal Energy Regulatory Commission issued an order approving the shutdown of the Childs Irving Project on Fossil Creek, a tributary of the Verde River, clearing the way for removal of two dams and a 23-acre reservoir, Stehr Lake. The shutdown was part of a plan from the Arizona Public Service Co. (APS), which operates the Childs Irving Project.

The decision is the last major hurdle in the decommissioning effort, which began in 1997. APS initially applied for renewal of the license for the hydrodam but eventually decided to close the facility and restore the stream at the urging of environmental groups and American Indian tribes.

In 2000, APS reached an agreement with various groups, including American Rivers, [the Center for Biological Diversity](#), the Nature Conservancy and the Yavapai-Apache Nation, that called for APS to shutter the 7-megawatt plant on Dec. 31, 2004, and remove the project works -- including the dams, power plant, transmission poles and lines, and various buildings -- by the end of 2009.

Environmental groups say returning full flows to Fossil Creek will benefit threatened and endangered species, including the bald eagle, Mexican spotted owl, Chiricahua leopard frog, southwestern willow flycatcher, Yuma clapper rail, razorback sucker and Arizona agave. The area around the confluence of Fossil Creek and the Verde River, about 17 miles downstream from the project, is critical habitat for the sucker and proposed habitat for the flycatcher (Land Letter, Oct. 14). The lower five miles of Fossil Creek is also habitat for the threatened loach minnow and the spikedace.

Fossil Creek is fed by springs that deliver about 43 cubic feet of water per second year-round -- a significant amount of water for the arid Southwest. The constant flows create a rich riparian zone amid dry hills of pinyon and juniper. Much of the stream's water is diverted by the plant and returned 14 miles downstream, three miles above the confluence with the Verde River, leaving a long stretch of Fossil Creek with low flows.

Removing the dams and power plant will replenish the reach and restore the ecosystem, said Andrew Fahlund, vice president for protection and restoration campaigns at American Rivers. "This is a good decision from the commission," Fahlund said. "It's been clear from pretty early on that dam removal and decommissioning was really in the best interest not only of Fossil Creek itself, but of the citizens of Arizona."

Mark Fallon, a spokesman for APS, agreed. "A lot of the water is captured by the power plant, and it's not flowing downstream like it did 100 years ago," Fallon said. "This is an effort to return an area to its state from a century ago and create a lush riparian area that the rest of the state can enjoy."

APS customers who receive power from the hydro facility will be served by other plants when the Childs Irving Project is taken offline, Fallon said.

"The loss of those few megawatts does not substantially hurt our ability to meet the needs of our customers," he said. "And restoring the stream will benefit our customers in that area." Two buildings, a power house and an ice house, will be preserved for their historical value, he added.

APS has been "extremely responsible" in agreeing to dismantle the plant and "deserve huge credit," Fahlund said.

When restoration is complete, Fossil Creek will resemble Havasu Creek, a Grand Canyon tributary of the Colorado River well known for its travertine formations. The water in both creeks is laden with calcium carbonate, which leaves calcium deposits that girdle the stream, forming stepped pools and waterfalls.

"It's going to be a tremendous wonder," Fahlund said. "We'll see these formations for several miles."

The Childs Irving Project, which occupies about 300 acres within Coconino National Forest, was constructed in the early 1900s to support the mining industry and development in central Arizona. It was granted a 50-year license in 1951, before environmental laws like the Endangered Species Act were passed. APS's application for relicensing required an environmental assessment, which prompted regulators to examine the impacts of the operation.

In issuing their decision to approve the plan last week, FERC's three commissioners said the environmental benefits of tearing down the facility outweighed the economic benefits of keeping the electrons flowing.

"Our action is in the public interest because surrender of the license and removal of the project works will have environmental benefits that can be achieved without a significant reduction of generation available to the public," the FERC commissioners wrote in approving the utility's request to abandon the license.

Brenda Smith, supervisor for the U.S. Fish and Wildlife Service's Flagstaff, Ariz., office, said removing the facility will greatly improve habitat for threatened and endangered species. "With the project there, [the stream] hasn't provided enough flows for some of the spawning activities of native fish," she said. "There are not sufficient flows to maintain self-sustaining populations in those reaches."

Non-native species, such as smallmouth bass and yellow bullhead, are also a problem because they prey on native fish, Smith added. FWS, Arizona's Game and Fish Department, the Forest Service and other agencies are currently removing non-native fish from Fossil Creek, she said.

In decommissioning the project, APS will dewater Stehr Lake, which is "almost completely filled with sediment," according to the notice, and sow the soil with native vegetation. The utility also will fund the stocking of largemouth bass and bluegill at Tremaine Lake, also in Coconino National Forest, to make up for the loss of the reservoir on Fossil Creek.

An energy development and consulting firm called SAGE, which hoped to take over the power project, urged FERC not to approve the plan, saying the area could be restored without decommissioning the hydro project, which it argued is still economically viable. But FERC dismissed SAGE's opposition, noting the project does not generate much power and that decommissioning will have substantial environmental benefits. Furthermore, decommissioning is supported by various state and federal agencies, including the Forest Service, on whose land the project works are located, FERC noted.

One issue that remains unresolved, however, is who will own the water rights for Fossil Creek after the dam and other structures are removed. The Forest Service wanted FERC to require that APS transfer its water rights to the agency and change the beneficial use determination to wildlife, but FERC said such decisions are beyond its purview. The state of Arizona will have to address that request, the commissioners said.

Connie Birkland, a spokesperson for Coconino National Forest, said agency officials are confident the rights will be transferred. Both the state and the Forest Service want to establish in-flow rights to protect the stream -- and downstream water rights, she said. Fossil Creek's water eventually is tapped by the Salt River Project, which slakes the thirst of much of central Arizona.

While the agreement calls for restoring flows at the beginning of next year, the dams probably will not be fully breached until the spring, Birkland added. That will give biologists more time to complete the non-native fish removal project, which is easier to accomplish with less water in the stream, she explained.