Faxed 8/4/10



United States Department of the Interior

FISH AND WILDLIFE SERVICE 3817 Luker Road Cortland, NY 13045



August 2, 2010

Dr. Jerry Pell Office of Electricity Delivery and Energy Reliability U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Dear Dr. Pell:

This is in response to a June 18, 2010, Notice to Intent to Prepare an Environmental Impact Statement (EIS) for the proposed granting of a Presidential Permit to Champlain Hudson Power Express, Inc., to construct, operate, maintain, and connect a new electric transmission line across the U.S.–Canada border in northeastern New York. The approximately 380 mile long project would deliver electricity via a direct current buried cable within Lake Champlain and the Hudson River. Several land routes would also be used to avoid navigation locks and the Hudson River polychlorinated biphenyl clean-up site.

We offer the following comments as technical assistance pursuant to the Endangered Species Act of 1973 (ESA) (87 Stat. 884, as amended; 16 U.S.C. 1531 *et seq.*) and the National Environmental Policy Act (42 U.S.C. 4321 et seq.). The U.S. Fish and Wildlife Service (Service) may provide additional information and comments on the project pursuant to the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d), Fish and Wildlife Coordination Act (48 Stat. 401, as amended; 16 U.S.C. 661 et seq.), and the Migratory Bird Treaty Act (40 Stat. 755; 16 U.S.C. 703-712), as applicable.

As part of the scoping process, the Department of Energy is requesting input on the range of studies which should be incorporated into the project planning process. Thirteen items are listed in the Federal Register as being issues which should be addressed in further detail in the EIS. Potential impacts to aquatic biological resources are listed but no studies are proposed for terrestrial plants and animals. We recommend the EIS include an analysis of terrestrial biota which may be affected by the project. In those areas where earth disturbance and overhead lines are proposed, the EIS should thoroughly define existing terrestrial wildlife and habitat resources as well as the potential impact of the project to these resources.

In addition, the EIS should explore potential secondary and cumulative effects of this and other projects which may affect the resources of the project area. This analysis should consider previous and future dredging activities and their affects on project area waterways.

Federal agencies have responsibilities under Section 7(a)(2) of the ESA to consult with the Service regarding projects that may adversely affect Federally-listed species or "critical habitat," and confer with the Service regarding projects that may adversely affect Federally-proposed species or proposed "critical habitat." Several Federally-listed species were addressed in the June 2010 Federal Register Notice. It appears that species primarily under National Oceanic and Atmospheric Administration Fisheries jurisdiction were addressed; however, species under Service jurisdiction were not. The Service has been coordinating directly with TRC Solutions, Inc., consultants for Champlain Hudson Power Express, Inc. (CHPEI), for several months on Service jurisdiction species and CHPEI should provide you with copies of all project-related correspondence. While there are several species that will need to be considered and addressed in the EIS (see information about our listed species website below), the species that has the greatest potential for impacts from the proposed project is the Federally-listed endangered Karner blue butterfly (Lycaeides melissa samuelis). Surveys for Karner blue butterfly habitat were conducted in 2010. Suitable habitat occurs in several portions of the project, as well as some known occurrences of Karner blue butterflies. Butterfly surveys were initiated late in the season and additional surveys are recommended for next year.

The most recent compilation of Federally-listed and proposed endangered and threatened species in New York is available for your information.* Until the proposed project is complete, we recommend that you check our website every 90 days from the date of this letter to ensure that listed species presence/absence information for the proposed project is current.

Species listed by the Service are also protected by the State of New York. Additional information regarding the project and its potential to impact listed species should be coordinated with both this office and with the New York State Department of Environmental Conservation (NYSDEC). The NYSDEC contact for the Endangered Species Program is Mr. Peter Nye, Endangered Species Unit, 625 Broadway, Albany, NY 12233 (telephone: 518-402-8859).

Thank you for your time. If you require additional information please contact Timothy Sullivan or Robyn Niver at 607-753-9334.

Sincerely,

Damo A. Stilmer

David A. Stilwell Field Supervisor

*Additional information referred to above may be found on our website at: http://www.fws.gov/northeast/nyfo/es/section7.htm

cc: NYSDEC, Schenectady, NY NYSDEC, Albany, NY (Endangered Species; Attn: P. Nye/K. O'Brien) NYSDEC, Albany, NY (Natural Heritage) COE, New York, NY

2