

## DEPARTMENT OF VETERANS AFFAIRS VETERANS INTEGRATED SERVICE NETWORK 11 P.O. BOX 134002 ANN ARBOR, MI 48113-4002

Mr. John Hieftje Mayor of Ann Arbor Ms. Sabra Briere; Mr. Stephen Kunselman City Council

Dear Mr. Hieftje, Ms. Briere and Mr. Kunselman

As per your request, the following it a quick synopsis of what the VA is considering as it regard to the possibility of installing a hydro-electric capability on two dams owned and operated by the City of Ann Arbor. Before the VA can decide on a project like this a number of issues have to be worked out and clearly defined. The VA has determined that the project concept has some value and has taken some steps to determine if the VA believes this project merits funding.

At this time no decisions have been made on proceeding with negotiations with the city for the installation of low head hydro-electric power generation on the dams being considered.

## Current status:

- The VA commissioned a study through the Army Corps of Engineers to validate an earlier study commissioned by the City of Ann Arbor and to determine the feasibility and economic benefits of installing hydro electric power stations at the Argo and Geddes dams.
- The Study through the Army Corps of Engineers has been completed and the following was determined
  - o The proposal has been found to be technically feasible
  - o This appears to be a good opportunity for renewable power generation
  - o For this region, the economics of this project compared to other renewable energy are projects as follows:
    - § This hydro power project is better than solar PV projects.
    - § This hydro power project is better than the Green Currents program.
    - § This hydro power project is better than biomass projects.
- The study through the Army Corps of Engineers has been forward up to VA Central Office in Washington DC
  - o VA Central office agrees with the technical conclusions.
  - o There are questions as to what the legal liabilities as well as other legal issues might be.
  - o There are questions as to whether the VA should go in this direction.
- The issue is being reviewed in Washington and any VA decision to move forward or not, will be
  made at that level. VA lawyers and Army Corps of Engineers lawyers are working on this project
  now to determine if the VA should move forward.

Jeffrey A. Means Energy Manager VISN 11