

INITIAL STATEMENT

**BEFORE THE
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

Dresden Island Hydroelectric Project

FERC Project No. 12626

**APPLICATION FOR LICENSE
FOR MAJOR PROJECT - EXISTING DAM**

INITIAL STATEMENT

1. Northern Illinois Hydropower, LLC (NIH or Applicant) applies to the Federal Energy Regulatory Commission (FERC) for a license for the proposed Dresden Island Hydroelectric Project (FERC Project No. 12626, Project) as described in the attached exhibits.

2. The location of the project is:

State or territory:	Illinois
County:	Grundy County
Township or nearby town:	Morris
Stream or other body of water:	Illinois River

3. The exact name, business address, and telephone number of the Applicant are:

Northern Illinois Hydropower, LLC
801 Oakland Avenue
Joliet, IL 60435
(815) 723-6314

The exact name and business address of each person authorized to act as agents for the Applicant in this application are:

Damon Zdunich
Northern Illinois Hydropower, LLC
801 Oakland Avenue
Joliet, IL 60435
(312) 320-1610

Dennis Cohil
Northern Illinois Hydropower, LLC
801 Oakland Avenue
Joliet, IL 60435
(815) 723-6314

4. The Applicant is a limited liability company under the laws of the State of Illinois. The Applicant was issued a three-year preliminary permit for the proposed Project, designated as Project No. 12626 in the records of the Federal Energy Regulatory Commission, issued on the 12th day of April, 2006. The applicant is not claiming preference under section 7(a) of the Federal Power Act.

5. (i) The statutory or regulatory requirements of the state in which the Project would be located that affect the Project as proposed, with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes, and with respect to the right to engage in the business of developing, transmitting and distributing power and in any other business necessary to accomplish the purposes of the license under the Federal Power Act are:
 - a) Section 401 (a) of the Clean Water Act (CWA) requires the Applicant to apply for and receive water quality certification from the Illinois Environmental Protection Agency (IEPA) for the operation and maintenance of the hydroelectric facility.
 - b) Section 404 of the CWA requires the Applicant to apply for and receive permits for the alteration of wetlands and for the discharge of dredged or fill material into the waters of the United States from the U.S. Army Corps of Engineers (ACOE).
 - c) The Illinois Rivers, Lakes, and Streams Act, 615 ILCS 5, requires the applicant to apply for and receive permit for construction from the IDNR and/or IEPA.

- (ii) The steps which the Applicant has taken or plans to take to comply with each of the laws cited above include:
 - a) Through the specific actions detailed in the CWA, the Applicant will complete the information requirements needed to apply to the IEPA for a water quality certificate pursuant to Section 401 of the Clean Water Act. This application is expected to be filed by fall 2009.

- b) Through the specific actions detailed in the CWA, the Applicant will complete the information requirements needed to apply to the ACOE for the necessary permits pursuant to Section 404 of the CWA.
- c) The Applicant will apply for the required State of Illinois permits after receiving a FERC license or as directed by IDNR and IEPA in license consultations.

6. Name and address of existing owners of any existing project facilities:

There are no existing Project facilities. The dam is federally owned and is operated by the ACOE. The ACOE address is as follows.

Dresden Island Lock and Dam
U.S. Army Corps of Engineers
Rock Island District
P.O. Box 2004
Rock Island, IL 61204-2004
Phone: (309) 794-5760

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FOR MAJOR PROJECT - EXISTING DAM**

SUBSCRIPTION AND VERIFICATION UNDER OATH

This application for a license for the Dresden Island Hydroelectric Project is executed in the State of Illinois, Grundy County

By: Northern Illinois Hydropower, LLC
Name: Damon Zdunich, President
Address: 801 Oakland Avenue
Joliet, IL 60435

being duly sworn, deposes and says that the contents of this application are true to the best of his knowledge and belief. The undersigned Applicant has signed the application this _____ day of _____, 2008.

Applicant Signature

Subscribed and sworn to before me, a Notary Public of the State of Illinois, this _____ day of _____, 2008.

Commission expires: _____