

# Meeting Three Summary

September 18, 2024 | 10:00 a.m.–1:00 p.m.

Big Creek Township Hall  
1175 Ryno Rd.  
Luzerne, MI 48636

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## Attendee Organizations

- Big Creek Township
  - Consumers Energy
  - Huron Pines
  - Save the Dams
  - Office of State Senator Hoitenga
  - Trout Unlimited
  - Michigan Office of Rural Prosperity
  - Public Sector Consultants
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## Meeting Summary

### Welcome and Introductions

Participants shared their names, affiliations, and roles.

# Planning for Prosperity in River Hydro Communities

## Upper Au Sable River Group: Mio

### Update from Consumers Energy

Angela Thompkins from Consumers Energy shared updates about the dams. She stated that Consumers has narrowed down the list of interested potential buyers of the dams to those that are viable, and that Consumers is vetting the viable buyers' financials and ability to safely operate the dams. All viable buyers that are being vetted are North American companies that are independent power producers, and Consumers is planning to make its decisions in early 2025.

Thompkins also stated that Consumers has been provisionally awarded dam safety grants from the United States Department of Energy (DOE) for ten of their hydroelectric facilities, including Alcona Dam. Consumers will negotiate with the DOE over the terms of the grants; in negotiations, Consumers will disclose to DOE where they are in the decision to relicense, sell, or remove the dams. She said that as long as Consumers owns the dams, they will operate them safely, and that if they sell the dams, the DOE dam safety funding will transfer to the new owner. Consumers is also considering whether to apply for federal dam safety loans of about \$770 million, which ratepayers would pay back.

Thompkins answered questions from participants. She said that Consumers senior leadership intentionally does not know exactly how many entities are still on the list of potential buyers; Consumers has a separate team conducting vetting, which will then report to senior leadership. She stated that, if Consumers sells the dams, the license and land ownership transfer to the new owners, who would be responsible for taking the dams out when they become nonfunctional. She assured participants that there is an expectation that any new owner would manage the dams as Consumers does and reminded them that the sale process would have to go through the Federal Energy Regulatory Commission (FERC) and state agencies before it can take place. Some decisions, including what happens to the funding that Consumers has set aside for dam removal and what happens to Consumers' property outside the FERC boundary, have not yet been made.

### Michigan Office of Rural Prosperity

Sarah Lucas and Lisa Miller from the Michigan Office of Rural Prosperity (ORP) gave a presentation on their office and possible opportunities for communities like Glennie.

The ORP was created to be a liaison between rural communities and state government, and to help build capacity for planning and economic development in rural communities. The ORP works with regional groups and agencies such as the Department of Natural Resources (DNR), the Department of Environment, Great Lakes, and Energy, and the Michigan State Housing Development Authority to support rural-specific community needs and to help universities and philanthropy work with and in rural communities. The ORP is a cross-agency liaison, and as such covers a very broad range of issues, including broadband, housing, and economic development.

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Lucas and Miller noted the challenges facing rural communities, including a shrinking workforce, impact their ability to provide services, and shared some key questions for rural communities, including:

- How can we build a quality of life that attracts people to rural areas and keeps them there?
- As climate change prompts people to move away from natural hazards, how do we prepare for this migration and what will the impacts on resources be?
- There has recently been an influx of federal funding for large projects; how can we make sure rural communities are able to access this funding?

ORP programs include:

- **Roadmap to Rural Prosperity**, a strategy used to engage agencies and communities to uncover how natural resources and outdoor recreation are a key driver of economic development and plan for a more diversified, sustainable outdoor recreation sector
- **Rural Readiness Grant Program**, which provides grants for partnership building and planning for a wide variety of projects
- **Rural Readiness Network**, which connects rural communities to resources like peer support, training and technical assistance, and resource providers

Lucas and Miller answered questions from the group about the Rural Readiness Grants and Network and the need for finer-scale community engagement.

## Focus on Achieving Our Aspirations Activity

The opportunities identified during the June meeting were the basis for this meeting's activity. Participants identified key actions that could advance each opportunity.

### Scenario: Consumers Continues Operating the Dams

#### Opportunity One: Expand on Current Recreational Opportunities

- Build more access points to the river/lake
- Build more trails, especially those accessible to ORVs
- Build a new boat launch and/or add parking to the existing boat launch

#### Opportunity Two: Ensure Dam Safety

- Consumers continues to maintain the dam with sufficient funding for safety
- Consumers continues to maintain surrounding lands

#### Opportunity Three: Develop Additional Parks

- Use non-FERC land that Consumers owns to build a state park
- Center park around the lake/river and build a multiuse trail system

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### **Opportunity Four: Market the Region as a Recreational Destination**

- Develop a marketing plan that involves Consumers, DNR, and the U.S. Forest Service

### **Opportunity Five: Protect the Fisheries**

- Address the legal issues around water temperature around the impoundments
- Continue run of river operations under the Clean Water Act

### **Scenario: Dams are Sold to a New Owner**

Participants agreed that all the actions from the first scenario are priority actions in this scenario as well. In addition, they identified the following actions and activities.

#### **Opportunity One: Protect Leaseholders**

- Transfer land leases from Consumers to the new owner (e.g., Oscoda County Park)

#### **Opportunity Two: Plan for the Next 50–100 Years of Dam Operation**

- Implement a bond or other financial surety for the new owner's responsibility for safe operation and eventual removal of the dam
- Delineate the responsibilities of the new owner
- Build funding for dam maintenance and upgrades into the power purchase agreement

### **Scenario: Dams are Removed and the River Restored**

#### **Opportunity One: Plan for the Transition and New State**

- Develop a land management plan that prioritizes keeping land in public ownership
- Conduct a feasibility study to understand the impact of removal
- Compensate local business owners for lost revenue and value through the transition period

#### **Opportunity Two: Expand Recreational Opportunities**

- Build trails on exposed bottomlands
- Keep the land public and undeveloped

#### **Opportunity Three: Protect Property Owners**

- Mitigate the effects of removal on wells
- Ensure that those who have access to the river now still have it after removal
- Compensate lakefront property owners for lost property values

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### **Meeting Wrap-Up**

The next meeting will be held on October 23 from 9 a.m.-12 p.m. Facilitators stated that the plan is to finish this year with a clear set of objectives and questions to give to Consumers, and to come back in 2025 and hold public meetings after Consumers makes a decision on the RFP.

Facilitators thanked participants for their time, and the meeting adjourned.