

PRE-APPLICATION DOCUMENT

**FEDERAL ENERGY REGULATORY COMMISSION [FERC]
PURSUANT TO 18 C.F.R. § 5.6**

**HALF-MOON COVE TIDAL POWER PROJECT
P-12704 / PRELIMINARY PERMIT [ISSUED 10.APRIL.2007]**

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TABLE OF CONTENTS

SEC.	NO. PAGES	SECTION	REGULATORY REFERENCE(§)	LOCATION [SEC-PAGE]
1	8	PRE-APPLICATION DOCUMENT	5.6, (a), (b), (c), (d)(1)	1 – 5
2	18	PROJECT LOCATION, FACILITIES, AND OPERATION	(d)(2)	2 – 1
3	23	DESCRIPTION OF EXISTING ENVIRONMENT AND RESOURCE IMPACTS – (i) GENERAL REQUIREMENTS	(d)(3)(i)	3 – 1
4	19	GEOLOGY AND SOILS	(d)(3)(ii)	4 – 1
5	13	WATER RESOURCES	(d)(3)(iii)	5 – 1
6	46	FISH & AQUATIC RESOURCES	(d)(3)(iv)	6 – 1
7	17	WILDLIFE & BOTANICAL RESOURCES	(d)(3)(v)	7 – 1
8	16	WETLANDS, RIPARIAN, AND LITTORAL HABITAT	(d)(3)(vi)	8 – 1
9	10	RARE, THREATENED AND ENDANGERED SPECIES	(d)(3)(vii)	9 – 1
10	3	RECREATION AND LAND USE	(d)(3)(viii)	10 – 1
11	6	AESTHETIC RESOURCES	(d)(3)(ix)	11 – 1
12	2	CULTURAL RESOURCES	(d)(3)(x)	12 – 1
13	7	SOCIO-ECONOMIC RESOURCES	(d)(3)(xi)	13 – 1
14	4	TRIBAL RESOURCES	(d)(3)(xii)	14 – 1
15	2	RIVER BASIN DESCRIPTIONS	(d)(3)(xiii)	15 – 1
16	4	PRELIMINARY ISSUES AND STUDIES LIST	(d)(4)	16 – 1
16	1	SUMMARY OF CONTACTS	(d)(5)	16 – 5
16	1	PURPA BENEFITS	(e)	16 – 6
		LIST OF FIGURES		1 – 3
		LIST OF TABLES		1 – 4
17		APPENDICES		17 – 1
18		EXHIBITS		18 – 1

LIST OF APPENDICES

APPENDIX	TITLE	PAD SECTION
HMC-01	LIST OF AGENCIES CONTACTED DURING DUE DILIGENCE PROCESS	1
HMC-02	REQUEST FOR INFORMATION STATEMENT	1
HMC-03	LIST OF PROJECT INFORMATION	1
HMC-04	PROTOCOL FOR DISSEMINATION OF INFORMATION	1
HMC-05	MAINE GUIDANCE ON RIPARIAN IMPACTS	8
HMC-06	AGENCY / STAKEHOLDER COMMENTS	9

LIST OF EXHIBITS

EXHIBIT	TITLE	PAD SECTION
HMC-01	SCHEDULE FOR PRE-APPLICATION PROCESS	1
HMC-02	DAM STABILITY ANALYSIS	4
HMC-03	RESULTS OF CURRENT MEASUREMENTS	4
HMC-04	ENVIRONMENTAL OVER VIEW STATEMENT	3

LIST OF FIGURES

FIGURE	TITLE	PAD SECTION
HMC-01	MAP OF PROJECT SITE	2
HMC-02	FORMER TOLL BRIDGE	2
HMC-03	CROSS-SECTION AT DAM SITE	2
HMC-04	SCHEMATIC OF HIGH POOL PRODUCTION	2
HMC-05	TWO-WAY MODE OF OPERATION	2
HMC-06	PILE MOUNTED / MODULAR BARRIER	2
HMC-07	POWER PLANT CROSS SECTION	2
HMC-08	MONTHLY TIDAL RANGE VARIATION	2
HMC-09	TRANSMISSION LINE DIAGRAM	2
HMC-10	HISTORIC SUBSURFACE INVESTIGATIONS	4
HMC-11	EXPANDED VIEW OF HMC-10	4
HMC-12	CROSS SECTION PROFILE OF OVERBURDEN	4
HMC-13	GEOLOGIC FORMATION AT SITE	4
HMC-14	LEGEND FOR GEOLOGICAL FEATURES	4
HMC-15	INTERTIDAL CLASSIFICATION	4
HMC-16	EXPANDED VIEW OF HMC-15	4
HMC-17	SOIL TYPES AROUND PERIMETER	4
HMC-18	SOIL TYPE CLASSIFICATION	4
HMC-19	SOIL PROPERTIES	4
HMC-20	ADDITIONAL SOIL CHARACTERISTICS	4
HMC-21	FISHERIES DISTRIBUTION	6

FIGURE	TITLE [CONTINUED]	PAD SECTION
HMC-22	BENTHIC SAMPLING POINTS	6
HMC-23	PLAN VIEW OF ROCKFILL DAM	8
HMC-24	LAND USE PATTERNS	8
HMC-25	IF&W AREA RESOURCE MAP	9
HMC-26	ARTIST RENDITION OF DAM	11
HMC-27	TIDE LEVELS AT ONE HOUR INTERVALS	11
HMC-28	IMAGE OF TIDAL CURRENT MEASUREMENT	11
HMC-29	HALF-MOON COVE TOPOGRAPHY	11
HMC-30	PLAN VIEW REPRESENTATION OF HMC	11

LIST OF TABLES:

TABLE	TITLE	PAD SECTION
HMC-01	SOIL PROPERTIES	4
HMC-02	ANNUAL PRIMARY PRODUCTIVITY	6
HMC-03	SPECIES DISTRIBUTION	6
HMC-04	FISH DISTRIBUTION	6
HMC-05	REPRESENTATIVE FISH SPECIES	6
HMC-06	COMM. & RECR. IMPORTANT SPECIES	6
HMC-07	RESULT OF COLONIZATION STUDIES	6
HMC-08	ICHTHYOPLANKTON DENSITY	6
HMC-09	COMMERICALLY IMPORTANT SPECIES	6
HMC-10	BENTHIC HABITAT OVERVIEW	6
HMC-11	SEASONAL DISTRIBUTION OF SPECIES	6
HMC-12	SUMMARY OF SEASONAL DISTRIBUTION II	6
HMC-13	LISTED WILDLIFE & PLANT SPECIES	6
HMC-14	BIRD COUNT QUODDY BAY	7
HMC-15	SUMMARY OF BIRD COUNT	7
HMC-16	CHRISTMAS BIRD COUNT (II)	7
HMC-17	IFW SHOREBIRD OBSERVATIONS	7
HMC-18	IFW OBSERVATIONS [II]	7
HMC-19	IFW OBSERVATIONS [III]	7
HMC-20	IFW OBSERVATIONS [IV]	7
HMC-21	IFW OBSERVATIONS [V]	7
HMC-22	BENTHIC HABITAT OVERVIEW	8
HMC-23	LEGEND FOR FIGURE HMC-24	8
HMC-24	LISTED, THREATENED, ENDANGERED SP.	9
HMC-25	EXISTING SOCIO-ECONOMIC CONDITIONS	13
HMC-26	HOUSING CHARACTERISTICS	13
HMC-27	AVAILABLE HOUSING IN VICINITY	13
HMC-28	ETHNIC CHARACTERISTICS	13
HMC-29	ECONOMIC STATISTICS	13
HMC-30	ECONOMIC STATISTICS [II]	13

18 C.F.R. § 5.6 PRE-APPLICATION DOCUMENT [PAD]

In accordance with 18 CFR § 5.6, Tidewalker Associates has prepared a Pre- Application Document (PAD) for the Half-Moon Cove tidal power project while exercising due diligence. A substantial amount of information exists for the site in question from previous and recent investigations. For example, an application submitted to FERC from Quoddy Bay LNG in 2006 for a proposed liquefied natural gas terminal with a pipeline crossing through the middle section (in an east-to-west direction) of Half-Moon Cove contains information pertinent for the characterization of this project. Quoddy Bay LNG has also proposed the construction and operation of a processing facility with storage tanks less than one mile from the entrance to Half-Moon Cove. The LNG proponent had also filed applications with the State of Maine and federal agencies (e.g., U.S. Corps of Engineers) while describing resource conditions with regulatory staff members. As a footnote, Quoddy Bay LNG has indefinitely suspended their regulatory efforts based on internal considerations focused on the availability of a dependable source of natural gas.

In order to protect our rights to the site, Tidewalker Associates applied for and was granted intervenor status by the State of Maine during a regulatory procedure which has been stalled with the withdrawal of previously submitted permit and license applications. The Quoddy Bay LNG proposal included an application for water quality certification within the boundary of Half-Moon Cove. Documents prepared by Quoddy Bay LNG will be copied and pasted into the PAD at appropriate locations. Quoddy Bay LNG's application which contains relevant information is contained within the FERC web site under natural gas projects and also appears on the Tidewalker Associates web site (mainetidalpower.com).

When appropriate, direct references will be made to the information collected by Quoddy Bay LNG and will be supplemented by site specific information gathered by Tidewalker Associates. Some on-site studies still might be required based on a review of this PAD and other documents. If warranted, Tidewalker Associates is committed to the performance of these studies as determined during the consultation process. Another source of information for this characterization refers to documents contained in a FERC license application submitted by the Passamaquoddy Tribe at the Pleasant Point Reservation in the 1980s.

§5.6 (a) Pre-Application Document

The pre-application document will be made available both electronically and as a bounded copy for thorough dissemination. During the preparation of the PAD, draft copies of various sections were sent to FERC and other entities for review in order to ensure compliance with regulatory standards.

§ 5.6 (a)(1) – Notification of Intent (NOI)

In accordance with this requirement, a Notification of Intent (NOI) was filed simultaneously with the submittal of the pre-application document. The NOI was prepared in accordance with FERC standards. Copies of the NOI and PAD were provided to the appropriate Federal, State of Maine, interstate resource agencies, Indian Tribes, local governments, and members of the public likely to be interested in the FERC proceeding.

§ 5.6(a)(2) – List of Contacted Agencies

A list of agencies and other stakeholders contacted during the PAD preparation appears in Appendix HMC-01. A copy of the e-mail sent to interested parties appears in Appendix HMC-02. The response to the request for information is referenced within appropriate sections of this document.

§5.6 (b) Purpose of Pre-Application Document

As previously noted, site characterization is available from a number of sources for a proposed facility which will have a limited impact on the existing environment. An attempt will be made to attach / paste most of the relevant information within the PAD while deferring some of the information to readily available sources. In any event, information in the possession of Tidewalker Associates will be open for public review. The engineering features of the proposal will be included in the PAD in accordance with FERC guidelines. Questions raised during the consultation phase of the project will be addressed by personnel from Tidewalker Associates in an attempt to resolve any technical and operational issues. Project consultation will be documented in various formats; both, electronically and hard copy.

§ 5.6 (b)(1) – Existing Project Information

A list of information directly related to the characterization of Half-Moon Cove appears in Appendix HMC-03. Personnel from Tidewalker Associates expect to work closely with regulators and stakeholders to identify technical, environmental, and resource related issues in order to fully quantify project impacts in accordance with FERC and NEPA procedures.

§ 5.6 (b)(2) – Summary of Due Diligence Process

As previously noted in § 5.6 (a)(2), provisions of this section have been addressed by contacting regulators and stakeholders in an attempt to obtain relevant information for the characterization of Half-Moon Cove. This electronic solicitation (i.e., Appendix HMC-02) was combined with on-site visits to the local communities to complete the due diligence report. Half-Moon Cove has been previously studied for tidal power development during the 1970s and 1980s for a barrage / dam mode of construction and operation. The site has not changed considerably during the past several decades; however, the major change being proposed now by Tidewalker Associates refers to the establishment of a more “environmentally acceptable” mode of operation which will only slightly increase the normal level of low tide within the natural neap-to-spring cycle of tidal fluctuations.

§5.6 (c) Form and Distribution Protocol

On 23.April.2008, FERC approved a one year extension for the submittal of a Notification of Intent (NOI) and a pre-application document (PAD) for the Half-Moon Cove project.

§ 5.6 (c)(1) – General Requirement

This PAD will describe the proposed project facilities and operations, provide information on the existing environment, reference existing data or studies relevant to the existing environment, and outline any known and potential impacts of the proposed project on the specified resources. The PAD and accompanying NOI will be completed in accordance with FERC standards.

§ 5.6 (c)(2) – Availability of Source Information and Studies

The sources of information on the existing environment and known or potential resource impacts included in the descriptions and summaries will be properly referenced in the relevant sections of the PAD and in Appendix HMC-03.

After the acceptance of the PAD, Tidewalker Associates will provide any requested information within twenty (20) days from receipt of the request. As recommended by FERC guidelines, electronic transfers and compact disks will be the desired method of information transfer with the understanding that information will be provided in hard copy form upon request. Appendix HMC-04 includes a written protocol for the dissemination of information and the arrangement / scheduling of meetings and discussions.

§5.6 (d) Content Requirements

§ 5.6 (d)(1) – Process Plan and Schedule

Within thirty (30) day from the filing of the PAD and NOI, Tidewalker Associates will make every attempt to meet with representatives of the Passamaquoddy Tribe at the Pleasant Point Reservation. As noted in our progress reports filed under terms of a FERC preliminary permit (P-12704), Tidewalker Associates with headquarters in Trescott, Maine has maintained contact with the Tribal government in order to discuss some overlapping issues. Tidewalker Associates will file the PAD on or about 31.March.2009 and will concurrently file a notification of intent (NOI).

Within two weeks after FERC's acceptance of the NOI and PAD, Tidewalker Associates will make contact with all appropriate federal, state, interstate resource agencies, Native American Tribes, local governments, and members of the public likely to be interested in any FERC related proceedings. Based on this initial contact, arrangements will be made to visit agencies at their offices and interested parties within one month of this scheduled contact to review and discuss the content of the PAD and to determine an approach to fill-in any missing information gaps and to provide clarification on anticipated project impacts while attempting to resolve any differences. Based on an initial assessment, Tidewalker Associates is confident that existing regulations will allow for the development of the Half-Moon Cove site consistent with input received during the consultation phase of the regulatory process. Follow-up meetings or exchanges of correspondence will continue after office visits in appropriate sequence with the intent of having discussed and addressed all relevant regulatory issues within ninety (90) days of the PAD filing. This accelerated schedule will allow for the performance of any needed field work during the warmer months of the calendar year.

Depending on FERC's preference, Tidewalker Associates will also plan a scoping meeting near the project site in Maine. A tentative date for this scoping meeting should be held during the month of July (2009) after discussions have been partially completed with regulatory agencies and interested parties. Tidewalker Associates will attempt to arrange a mutually convenient date for the scoping meeting with FERC and other interested parties for 15.July.2009.

If it is possible to combine the scoping meeting with the site visit, Tidewalker Associates is recommending a site visit during July 2009 on 16.July.2009 at the Half-Moon Cove site. Tidewalker Associate facilities in either Trescott (Maine) or Eastport (Maine) will be used for an "on-site" discussion of project details during this visit and before and / or after the actual site visit. The Trescott location is at 46 Place Cove Road and the Eastport facility is at 100 Clark Street. Both sites will be able to handle 20-30 individuals. The site of the proposed dam site affords easy access across public ways and will occur during this Trescott and / or Eastport meeting. A proposed schedule for pre-application events for a FERC license is outlined in Exhibit HMC-01