



Great Sacandaga Lake Association

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Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

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Subject: FERC Dispute Projects 2318-053, 12252-035, 2318-054, 12252-036

To Whom it may Concern:

The Hudson River Black River Regulating District owns and operates the Conklingville main dam structure (Project Nos. 2318-053 and 12252-035) and controls the release of water from the Great Sacandaga Lake, a man-made lake created in 1920's. The hydroelectric power station (E.J. West Project Nos. 2318-054 and 12252-036), at the dam, is owned by Erie Boulevard. Erie Boulevard a subsidiary of Canada-based Brookfield Renewables generates electricity from the water that flows through the power station. The current operating agreement which has been extended by the Hudson River Black River Regulating District expires June 30, 2023. Under the current agreement, Erie Boulevard has been paying nearly \$1.5 million in annual water fees. Beginning in 1927, the Regulating District, Erie, and its predecessors, entered into a series of Reservoir Operating Agreements through, which the powerhouse owner secured the right to utilize the fifty-six (56) feet of head necessary to operate the powerhouse in exchange for an amount which compensated the Regulating District for the full value of the power produced by the additional head above the powerhouse.

Erie now contends that the payments made under the Reservoir Operating Agreement are duplicative of payments Erie is obligated to make for headwater benefits assessments FERC levies pursuant to section 10(f) of the Federal Power Act. If Erie obtains a significant reduction in its assessment, the downstream beneficiaries will have their assessment increased.

The Great Sacandaga Lake Association has 300 members who own property around the Great Sacandaga Lake. In addition, there are many other property owners around the Great Sacandaga Lake who may be affected. During the past 20 years we have seen several downstream beneficiaries of the dam, hydro projects included, attempt to reduce or eliminate their assessments. These disputes have resulted in the shifting of fund sources and a series of costly lawsuits.

Article 5 of Terms and Conditions of License for Constructed Major Project Affecting Navigable Waters of the United States requires in part that “The Licensee...shall, during the period of the license, retain possession of all project property covered by the license as issued...including...water rights....”

In Closing FERC must require Brookfield Renewables and Erie Boulevard Power to maintain a property interest in the “head” provided by the Hudson River Black River Regulating District at the Conklingville Dam.

Respectfully,

Edward Ludlum, President
Great Sacandaga Lake Association