

**TOWN OF BLENHEIM
North Blenheim, New York 12131**

**Submitted on behalf of the Town of Blenheim, by authorization of the
Blenheim Town Board, by:**

**GAIL S. SHAFFER
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December 21, 2014

Re: FERC Docket # P-2685-026

**To: Federal Energy Regulatory Commission
Kimberly Bose, Secretary
888 First Street, NE ~ Room 1A
Washington, DC 20426**

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**Scoping Hearings / Submission to Federal Energy Regulatory Commission
(Response to NYPA's Proposed Study Plan)**

**Re: License Application by New York State Power Authority to re-license
Blenheim- Gilboa Pumped Storage Project (Project #2685-026)**
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**Comments in response to the New York Power Authority's
Proposed Study Plan for the License Application Process regarding
NYPA's Blenheim-Gilboa Pumped Storage Project**

On October 16, 2014, in Cobleskill, New York, the applicant, New York Power Authority (NYPA) presented its Proposed Study Plan (PSP) in the application, by NYPA to operate its pumped storage hydropower project at Blenheim-Gilboa (BG), in the proceeding hereinabove referenced.

Having been authorized by the Town Board of Blenheim to submit earlier comments during the scoping hearings of July - August 2014, including our official request for a study

of the socioeconomic impacts of the NYPA – B/G project, I hereby submit these follow-up comments officially on behalf of the Town of Blenheim and the Blenheim Long – Term Recovery Committee, in response to the PSP submitted by NYPA. As previously indicated in comments submitted during the initial scoping hearings, I am a lifelong resident of Blenheim, and I also serve in a voluntary capacity as member of the Blenheim Long-Term Community Recovery Committee (LTCR) of our community, as well as the Relicensing subcommittee of the Schoharie County Board of Supervisors’ Flood Committee. I am also a Board member of Dam Concerned Citizens, Inc. (DCC), which has submitted separately recommendations relating to dam safety that our Town also supports.

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| Prelude: General Response to the Proposed Study Plan |
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As a prelude to discussion of each of the component studies of the PSP, I shall share some general observations regarding the broader PSP.

Having already, in the comments I submitted in the earlier phase of the Scoping Hearings in July and August 2014, outlined in detail the long and troubling history of NYPA’s failure to be a good neighbor to its host communities, I shall refrain from repeating that dismal record herein. On behalf of our host community of Blenheim, I can genuinely say that we see the relicensing process and the concomitant negotiations as an opportunity to “reset” this relationship. There is a true opportunity for NYPA as a “public benefit corporation” to apply that rubric for its host communities as well as for its statewide mission as an energy provider. NYPA can move beyond the past and set the groundwork for a new era of mutual trust and partnership with its host communities, as a good faith neighbor going forward in its next licensure period, by demonstrating a positive, truthful attitude and extending helping hand to its host communities as a constructive part of this tiny community which has had so many challenging circumstances to overcome.

However, it is disappointing to note, in light of the PSP presented, that there is little evidence of a reciprocal interest on NYPA’s part in turning the page to reset this history. Indeed, the first step in establishing trust is endeavoring to be forthright and transparent in confronting the issues

on the table, and in this regard the PSP is profoundly flawed in several very basic elements that are woven throughout the study, that are so fundamental as to cloud the sincerity of the entire study prospectus.

Valuation of the Power Project: the “Vacant Land” Fantasy

This is a paramount issue that must be illuminated, and quantified, in a thorough, forthright, objective manner by qualified experts. Unfortunately, the socioeconomic study proposal fails to meet that standard, and thereby inevitably casts a cloud of skepticism about NYPA’s willingness to engage in good faith in discussions and negotiations in this application process.

In my earlier submission, in requesting a study of the socioeconomic impacts of the Blenheim-Gilboa project, the most important issue outlined was, and remains, the devastating impact of the massive loss of revenue to host communities (Blenheim, Gilboa, the Gilboa-Conesville school district, and Schoharie County) created by the power project. In the case of the Town of Blenheim, the project eliminated a full third of our tax base, a loss so debilitating that it has been impossible to rebound from such a deprivation. Blenheim is already the smallest town in population of our entire county, and one of the poorest in a very poor county that is part of Appalachia. By every economic demographic, Blenheim is a community which already faced tremendous challenges. When NYPA built the B/G project, its confiscation by eminent domain of so much property (some necessary to the project and some extraneous to its needs) --- including homes and productive farmlands which were important to the local economy as well as the tax base --- exacerbated these challenges exponentially. After nearly a half-century of zero compensation to this town for its lost tax base, our town has difficulty even providing the most basic services needed by its citizens.

NYPA’s Denial of Capability to Impact Flood Mitigation

A very conspicuous flaw in the PSP is NYPA’s stated claim that it has no capability to impact flood mitigation. This is patently untrue.

First of all, it is inconsistent with some of NYPA's own public statements on several occasions, particularly in its public presentation in September 2011 in the wake of Hurricane Irene, in which NYPA indeed boasted of the measures they had allegedly undertaken to mitigate flood situations. Also, during Hurricane Sandy, they, along with other state and local agencies, undertook proactive strategies to mitigate flooding.

Obviously, the primary mission of NYPA is power generation. However, as a major dam owner and operator with enormous consequences for the host communities and others downstream, they also have a responsibility to mitigate flood events and do whatever is possible to minimize losses of life and property downstream. They are a "public benefit corporation", and they must acknowledge moral and ethical obligations to take this seriously, and to work in partnership with their neighbors, with whom they share the water resources of this watershed.

This will be referenced further in the Downstream Flood Effects study herein below.

Narrow Geographic Scope of Areas of Potential Effect (APE's) in Several Proposed Studies

There is another very fundamental flaw that permeates several of the study proposals herein. The PSP, in outlining the parameters of the studies relating to Historic Structures, Archaeology, Fisheries, and Recreation, proposes in each case the very narrowest definition possible of the Area of Potential Effect (APE). By so severely limiting the geographic scope of study of these impacts to the very boundaries of the project facility itself, the studies suffer from very glaring omissions that call into question the very validity of the studies, and the professionalism of the consultants involved. It is so patently obvious that the potential adverse impacts extend well beyond the project footprint, to the valley downstream at the very least, and in some cases to the larger watershed, and indeed, in the case of air quality issues and carbon emissions, potentially even much farther. Once again, such substantial omissions in neglecting to consider the true dimension of impacts on such important categories as historic and archaeological resources, and fishery habitats and recreational activities that have been very substantially impacted by the project, lend credence to local perceptions that NYPA is far from interested in conducting genuine, unbiased, objective, professional studies.

It would be useful if stakeholders as well as the applicant were involved in vetting and approving the professional consultants engaged, in order to instill confidence in the quality of these studies.

This issue will be further referenced in the individual study components discussed herein below.

NYPA's Denial of Capability to Impact Flood Mitigation

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Obviously, the primary mission of NYPA is power generation. However, as a major dam owner and operator with enormous consequences for the host communities and others downstream, they also have a responsibility to mitigate flood events and do whatever is possible to minimize losses of life and property downstream. They are a "public benefit corporation", and they must acknowledge moral and ethical obligations to take this seriously, and to work in partnership with their neighbors, with whom they share the water resources of this watershed.

This will be referenced further in the Downstream Flood Effects study herein below.

Failure to Propose a Full Environmental Impact Study

Despite multiple requests by stakeholders to require a full and comprehensive Environmental Impact Statement (EIS) rather than an Environmental Assessment (EA), NYPA proposes to merely study the fisheries in the upper and lower reservoirs, and a few other relatively minor environmental impacts.

Given the unfortunate fact that the construction 50 years ago of NYPA – B/G preceded the laws that now require an EIS for a project of this magnitude, our valley and its precious environmental, agricultural, scenic and historic resources were deprived of the full enlightenment of these broad environmental and cultural impacts that would have been elucidated in today's world. We feel strongly that, half a century later, it would be demonstrably in the public interest to rectify this, and to correct this lacuna by a thorough examination of these impacts, and any mitigating possibilities that might emerge with full disclosure and honest, open, thorough discussion. By cutting corners and not requiring that the full environmental impacts be thoroughly examined, our government would do a serious disservice to future generations, and to trust in our governmental institutions. We hope that FERC will direct that a full EIS be conducted.

This issue will be further referenced in the Fish Entrainment & Protection study discussed herein below.

Climate Change Implications: Design Enhancements & Shorter License Period

There is only cursory mention in the PSP of the climate change issues that are increasingly evident in our evolving world, and our evolving knowledge of that world. One thing we know for certain is that the severity and frequency of severe weather events --- and the natural disasters they have wrought --- are significantly increasing in recent decades. Examination of the precipitation data and other relevant statistical data over the period of the half century since construction of the NYPA – B/G project show that dramatic changes have occurred that were not anticipated at the time of the original licensure. The design may be inadequate for the future, and may need to be improved by additional gates and/or other features.

This unanticipated and dramatic change in weather trends seems to indicate that it would be prudent to issue the next license for a more abbreviated period. We and other stakeholders have recommended a thirty-year interval rather than another half-century before these trends, and the

design and operational implications that they might dictate, are reconsidered in the context of a full relicensure application process.

Probable Maximum Flood Projections are flawed

As referenced in previous submissions, there is an imperative need to reconcile the substantial differential between the Probable Maximum Flood (PMF) formulae by NYPA and by the New York City Department of Environmental Protection (NYCDEP). New York City demands a higher Factor Of Safety in its calculations, and their estimates proved sound when severe weather events occurred. Any studies of dam safety and design issues and weather trends affecting future parameters must take in to consideration the need for the highest safety standards. The troubling disparity in these projections must be thoroughly scrutinized.

Dam Concerned Citizens, Inc. (DCC) brought these issues to the hearing in detail. The submission by Schoharie County raises these issues at length in regard to several aspects of the PSP that need improvement, and Blenheim as the host community thoroughly endorses and supports those recommendations as submitted by Schoharie County.

The following comments are submitted regarding the individual study components.

2.1 ~ Historic Structures Survey (pp 3 – 9 of PSP)

Geographic Scope (APE) should be expanded

The study proposal is very seriously flawed in its narrow definition of the geographic scope of the Area of Potential Impact (APE).

The presence of this major earthen dam, impounding over 4 billion gallons of water, has significant potential impacts on many historic structures throughout the entire Schoharie Valley downstream of the dam. The vulnerability of this earthen dam was starkly evident in the historic floods that accompanied Hurricane Irene in August 2011. One by one, every redundant system

failed, making it necessary to ultimately operate the gates manually to avert overtopping and collapse, which could have wiped out entire communities downstream.

The most devastating historic tragedy of the flood was the loss of the iconic Old Blenheim Bridge. Built in 1855, an engineering feat of its time, it was the longest (232 feet) single span covered wooden bridge in the world, and was the only National Historic Landmark in Schoharie County. It was just downstream from NYPA – B/G, and we in the community feel strongly that operational deficiencies at B/G contributed significantly to the destruction of the bridge. This bridge had endured through more than a century and a half of floods, even the 1996 flood that destroyed the Thruway bridge further downstream. However, when the problems impeding operations of the gates arose, this resulted, when they were finally opened, in a sudden surge of such magnitude that the wooden bridge could not withstand such a force. If the water had flowed more gradually, as in floods past, it could have simply washed over the floorboards and left the bridge intact.

This is a very dramatic example of the enormous potential for damage that this manmade earthen dam potentially poses to a wealth of historic infrastructure in the Schoharie Valley floodplain areas where an inundation due to either further massive surges, or outright dam failure, might occur in the future.

Should the dam ever fail in a future episode of this magnitude, the historic resources imperiled would be extensive, from Gilboa and Blenheim on down to the historic Stockade District of Schenectady. It is imperative that the APE of the Historic Structures survey be expanded to inventory all these resources and develop appropriate strategies for protection and preservation.

One example, the PSP cites the Mattice family cemetery as a resource. If a proper study were done of the valley downstream, there would be several such family cemeteries, such as the Hager cemetery in Blenheim on Route 30. which includes the grave of Capt. Jacob Hager who served in the American Revolution. The pre-Revolutionary Old Stone Fort in Schoharie, the historic homes of Schenectady's Stockade, many historic churches in the Valley floodplain, are other

examples of historic treasures located in the path of potential obliteration should a worse-case scenario occur.

Arrowheads and other artifacts of the local Iroquois culture are frequently found in Schoharie Valley as well, in the Route 30 Corridor, which make it an area of potential historic artifacts throughout a widespread area of the Schoharie Creek.

Expansion of this historic resources study is especially imperative due to the lack of an Environmental Impact Study at the time of project construction decades ago. A thorough study now could finally remedy this lacuna, and provide important data for developing local preservation strategies. It would help to compensate for cutting corners on historic concerns when the project was built.

2.2 ~ Archaeological Survey (pp 10 – 14 of PSP)

Geographic Scope (APE) should be expanded

The study proposal is very seriously flawed in its narrow definition of the geographic scope of the Area of Potential Impact (APE).

As with the Historic Structures study, by confining the study to the mere boundaries of the project properties, the applicant does not take seriously the potential impacts of this project on archaeological resources throughout the valley, beyond the project footprint.

Expansion of this archaeological study is especially imperative due to the lack of an Environmental Impact Study at the time of project construction decades ago. A thorough study now could finally remedy this lacuna, and provide important data for developing local preservation strategies. It would help to compensate for cutting corners on archaeological concerns when the project was built.

Potential Prehistoric Geological & Paleontological Resources

Furthermore, as I indicated in my original submission, I believe that potential prehistoric resources should be studied in the area of the project. Gilboa is world-renowned for its rare Devonian tree fossils discovered at Gilboa when New York City built its water supply dam there in 1926. Further such dramatic finds during its recent renovation suggest that the unique geological and paleontological significance of this area, at the very edge of the glacial era ocean, merits careful study and evaluation. The proximity of the NYPA – B/G project to Gilboa would seem to make the prehistoric geological possibilities a logical extension of the scope of study.

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| 2.3 ~ Fish Entrainment / Protection Assessment Study (pp 15 –21 of PSP) |
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Geographic Scope (APE) should be expanded

The study proposal is very seriously flawed in its narrow definition of the geographic scope of the Area of Potential Impact (APE).

By limiting the study of fisheries to the upper and lower reservoirs and the impacts of the turbines on the fish in this extremely limited area, NYPA overlooks the enormous impacts this project has had on the stream ecology of Schoharie Creek. This relates to our concerns expressed earlier in these proceedings, that a full EIS is needed.

Scope of Substance should also be expanded: Need for a Full Environmental Impact Study

Despite multiple requests by stakeholders to require a full and comprehensive Environmental Impact Statement (EIS) rather than an Environmental Assessment (EA), NYPA proposes to merely study the fisheries in the upper and lower reservoirs, and a few other relatively minor environmental impacts.

As stated hereinabove, given the unfortunate fact that the construction 50 years ago of NYPA – B/G preceded the laws that now require an EIS for a project of this magnitude, our valley and its precious environmental, agricultural, scenic and historic resources were deprived of the full

enlightenment of these broad environmental and cultural impacts that would have been elucidated in today's world. We feel strongly that, half a century later, it would be demonstrably in the public interest to rectify this, and to correct this lacuna by a thorough examination of these impacts, and any mitigating possibilities that might emerge with full disclosure and honest, open, thorough discussion. By cutting corners and not requiring that the full environmental impacts be thoroughly examined, our government would do a serious disservice to future generations, and to trust in our governmental institutions. We hope that FERC will direct that a full EIS be conducted.

Furthermore, as hereinabove stated, there is only cursory mention in the PSP of the climate change issues that are increasingly evident in our evolving world, and our evolving knowledge of that world. The dramatic changes that have occurred, that were not anticipated at the time of the original licensure, merit serious study within a full EIS process.

Expansion of parameters of study to encompass the full spectrum of stream ecology, of regional flora and fauna, of habitat issues, of water and air quality, of scenic impacts, of agricultural impacts, and related issues, is especially imperative due to the lack of an Environmental Impact Study at the time of project construction decades ago. A thorough study now could finally remedy this lacuna, and provide important data for intelligent future remedial policies. It would help to compensate for cutting corners originally relating to these concerns when the project was built.

Potential negative impacts raised regarding air quality further enhance the need for a full EIS. The air quality impacts cited in submissions for study requests also indicate a need for careful scrutiny. Emissions of extreme carbon emissions due to certain gases released at NYPA – B/G may have serious consequences for air quality in the larger sphere, far beyond just its local deleterious effects.

Expansion of this Environmental Impact Study is especially imperative due to the lack of an Environmental Impact Study at the time of project construction decades ago. A good faith effort to remedy this original lack of thorough study would be most welcome before another half-

century is licensed with a casually granted green light to a project that very obviously has had, and will continue to have, very significant impacts on our environment.

2.4 ~ Recreation Use / User Study (pp 22 – 27 of PSP)

Geographic Scope (APE) should be expanded

The study proposal is very seriously flawed in its narrow definition of the geographic scope of the Area of Potential Impact (APE).

As with the Historic Structures, Archaeological, and Fish Entrainment studies, by confining the study to the mere boundaries of the project properties, the applicant does not do justice to the full implications for the wide range of recreational activities impacted by the project in the area, particularly downstream, beyond the project footprint.

If confined to these very limited parameters, this study will be an example of a missed opportunity to provide information of consequence to the local and regional economy as well as the environment.

Several Recreational Activities Overlooked

The list of recreational activities in the PSP neglects to include mention of several pursuits, such as bird-watching; snowmobiling; camping; and visual arts (painting and photography).

Water Releases for Stream Ecology and for Recreational Tourism

It would be particularly helpful if this study would acknowledge the benefits that could ensue, were NYPA to commit to enhancing local canoe and kayak recreational opportunities by implementing releases for such purposes. This would also boost regional tourism, a major component of the local economy.

2.5 ~ Downstream Flooding Effects Study (pp 28-32 of PSP)

Geographic Scope (APE) should be expanded

The study proposal is very seriously flawed in its narrow definition of the geographic scope of the Area of Potential Impact (APE).

While at least this study acknowledges the need to go beyond the narrow boundaries of the project footprint, by including “the downstream communities in Schoharie County”, nevertheless in this case it is imperative that, in examining downstream flooding, the potential impacts need to include the full valley, extending through Montgomery and Schenectady counties to the confluence of Schoharie creek with the Mohawk River. If this study encompasses only Schoharie County, it will fail to do justice to the full implications for the full watershed affected downstream from the project.

If confined to these very limited parameters, this study will be an example of a missed opportunity to provide information of consequence to the local and regional communities whose destiny is directly affected by this massive earthen dam upstream which presents significant risks to life, property and the regional economy and environment.

NYPA's Denial of Capability to Impact Flood Mitigation

As referenced in the prelude, a very conspicuous flaw in the PSP is NYPA's stated claim that it has no capability to impact flood mitigation. This is patently untrue.

First of all, it is inconsistent with some of NYPA's own public statements on several occasions, particularly in its public presentation in September 2011 in the wake of Hurricane Irene, in which NYPA indeed boasted of the measures they had allegedly undertaken to mitigate flood situations. Also, during Hurricane Sandy, they, along with other state and local agencies, undertook proactive strategies to mitigate flooding.

Obviously, the primary mission of NYPA is power generation. However, as a major dam owner and operator with enormous consequences for the host communities and others downstream, they also have a responsibility to mitigate flood events and do whatever is possible to minimize losses of life and property downstream. They are a "public benefit corporation", and they must acknowledge moral and ethical obligations to take this seriously, and to work in partnership with their neighbors, with whom they share the water resources of this watershed.

NYPA's assertion in this PSP that they lack any capability to contribute to flood mitigation contradicts recent experience, and undermines the credibility of the study. It is, again, unfortunately further evidence that they are not committed to turning a new leaf in their relationship to the host communities and being a better neighbor going forward into the future.

2.6 ~ Socioeconomic Impacts Study (pp 33 – 38 of PSP)

Valuation of the Power Project: the "Vacant Land" Fantasy

As stated in the prelude hereinabove, the issue of valuation of the project and the revenue loss precipitated for host communities by NYPA's tax-exempt decimation of our tax base, is a paramount issue that must be illuminated, and quantified, in a thorough, forthright, objective manner by qualified experts. Unfortunately, the socioeconomic study proposal fails to meet that

standard, and thereby inevitably casts a cloud of skepticism about NYPA's willingness to engage in good faith in discussions and negotiations in this application process.

In my earlier submission, in requesting a study of the socioeconomic impacts of the Blenheim-Gilboa project, the most important issue outlined was, and remains, the devastating impact of the massive loss of revenue to host communities (Blenheim, Gilboa, the Gilboa-Conesville school district, and Schoharie County) created by the power project. In the case of the Town of Blenheim, the project eliminated a full third of our tax base, a loss so debilitating that it has been impossible to rebound from such a deprivation. Blenheim is already the smallest town in population of our entire county, and one of the poorest in a very poor county that is part of Appalachia. By every economic demographic, Blenheim is a community which already faced tremendous challenges. When NYPA built the B/G project, its confiscation by eminent domain of so much property (some necessary to the project and some extraneous to its needs) --- including homes and productive farmlands which were important to the local economy as well as the tax base --- exacerbated these challenges exponentially. After nearly a half-century of zero compensation to this town for its lost tax base, our town has difficulty even providing the most basic services needed by its citizens.

Emergency Response Burdens

Of substantial impact to the Host Communities, and also to Neighboring Communities, is the burden of expenses they incur for response to emergencies at NYPA – B/G.

NYPA has cited its contributions over five decades, and their own statements indicate how paltry their support for local fire and ambulance companies has been. Most of these responders are volunteer organizations with little funding and inadequate equipment. NYPA could help them much more significantly in contributing toward the services they provide. The study will inevitably show this through data researched.

Infrastructure Impacts for Host Communities

As multiple stakeholders have expressed in these proceedings, we feel that any study should also include a thorough study of the impacts on our roads and bridges. A project of this magnitude increases traffic significantly, with very heavy loads, and the wear and tear on our local roads and bridges is another cost burden incurred by hosting this large facility. These costs also represent another area where NYPA could be of assistance in helping pay for the services they benefit from in infrastructure repairs by County and Towns.

Document Content(s)

NYPA.FERC.Blenheim.GSS.PSP.December2014.DOCX.....1-16