

**GAIL S. SHAFFER**  
**114 Burnt Hill Road ~ P.O. Box 919**  
**North Blenheim, New York 12131**  
**[shaffergails@yahoo.com](mailto:shaffergails@yahoo.com) ~ [shaffergail@yahoo.com](mailto:shaffergail@yahoo.com)**  
**(518) 827-6353**

**February 4, 2015**

=====  
**Scoping Hearings / Submission to Federal Energy Regulatory Commission**  
**Re: License Application by New York State Power Authority (NYPA) to re-license**  
**Blenheim- Gilboa Pumped Storage Project ( Project #2685-026 )**  
=====

**Comments in Response to NYPA's Revised Proposed Study Plan re:**  
**Impacts of NYPA's Blenheim-Gilboa Pumped Storage Project**

**Having been authorized by the Town Board of Blenheim to submit comments on its behalf, I hereby submit this request officially on behalf of the Town of Blenheim, as well as for myself as an individual citizen of said town.**

**I am a lifelong resident of Blenheim, and I also serve in a voluntary capacity as a member of the Blenheim Long-Term Community Recovery Committee (LTCR) of our community. In addition, I am a member of the Board of Directors of Dam Concerned Citizens, Inc. (DCC), and, both as an individual and on behalf of the Town of Blenheim, I endorse and fully support the comments submitted by DCC regarding dam safety and flood mitigation issues.**

**General Comments re the Revised PSP**

As a prelude to specific comments on the Revised PSP, herein below, there are some overarching observations in regard to NYPA's submission.

In order to begin the Study process on the right footing, and to set a framework from the outset that will create public confidence in the professionalism and credibility of these studies, it is imperative to address these fundamental flaws that permeate the entire Revised PSP.

**NYPA's "Revisions" are dismissive of Stakeholders' Concerns, either Ignoring or Trivializing Most of the Issues Raised in Comments responding to the PSP.**

Unfortunately, the response by NYPA to the comments submitted by citizens and the municipalities representing those citizens, reflects --- and reinforces --- the attitude, outlined in my original submission, prevailing over a half century, of trivializing or totally ignoring the local concerns of its host communities.

In regard to numerous issues raised about the obvious impacts that extend far beyond the mere boundaries of the project, a legitimate study of Historic, Archaeological, Environmental (e.g., fish species and habitat), Recreation, and Flooding impacts, should expand the Area of Potential Impact (APE) well beyond these boundaries. It is so patently obvious that in order to address the real impacts which this huge project has presented for the Schoharie Valley and its natural, scenic, historic and economic (including agricultural and tourism / recreational) resources --- as well as its very safety, in the case of the flooding issues --- any legitimate study would have to extend beyond the mere boundaries of the project property. NYPA has casually dismissed all these concerns, showing a complete disregard for the host communities.

Also, NYPA's pitifully meager and inadequate revisions in the proposed methodology for analyzing the tax-exempt impact on the socioeconomics of the host communities, reinforces their lack of good faith in this entire process. If they continue in this vein regarding the socioeconomic study --- clinging to methodologies that are laughably inadequate on behalf of any professional entity proposing to quantify these impacts with any credibility --- then how can one assume that any of their other studies are valid?

**The Arrogance toward the Host Communities Reflected in Ignoring Our Concerns**

I stated in my previous filings, and at the October 2014 PSP presentation, that we in the community view this relicensing application as an opportunity for NYPA to turn a new page: after having been a bad neighbor for a half-century, they have the opportunity now, with this relicensure process, to reach out and establish a new relationship with the host communities, becoming a good neighbor, entering into a partnership with us as joint stewards of the resources we share. However, their

decision to trivialize nearly every issue brought up by the stakeholders indicates that they have no desire or intention to change their basic feudalistic attitude toward these local communities. Their dismissive attitude, and lack of concern for these significant impacts on our communities, continues the familiar pattern of arrogance, contempt, condescension, and callous disregard, which has prevailed for the first half-century. In a democracy, based on government “of, by and for the people” --- and particularly from an entity whose rubric is a “public benefit corporation”, while ignoring its moral obligation to be of benefit to the people who have sacrificed so much for their project --- we the people truly deserve better. Our hope is that FERC as a public agency will take these concerns to heart, and insist that NYPA should be fair in its dealings with these impacts on the community. The first step toward ensuring fairness is insisting that these studies be valid and truthful, in their geographic scope, in their methodologies, in their objective standards, and in the credibility and professionalism required for public confidence and for serving the public interest.

**There is a Need for Independent, Professional Consultants Jointly Approved by NYPA & Stakeholders to Ensure Credibility of the Studies Conducted Herein.**

As an overarching issue, I reiterate my request, stated earlier in previously filed comments herein, that the Federal Energy Regulatory Commission (FERC), as part of the Licensing Application process referenced hereinabove, require that the New York State Power Authority must pay for an independent and objective and duly qualified entity, to do a thorough and objective study.

The study components as presented by NYPA at the October 2014 presentation of their Proposed Study Plan (PSP) pose serious concerns in this regard.

For example, the consultant proposed to conduct the Socioeconomic study, when asked to clarify the name of the firm, could not identify the firm beyond the obscure acronym given. Similarly, the engineering firm proposed to head certain studies does not even appear to have a website to elucidate its professional credentials. These ambiguities do not inspire confidence that NYPA has selected professional firms with the highest professional experience and qualifications to conduct a truly professional, objective analysis with the highest standards.

Furthermore, the methodology outlined by the proposed consultant for the Socioeconomic study, as presented at the October 2014 presentation, was patently absurd. The firm proposed, in regard to the analysis of impacts of applicant’s tax-exempt status, to value the NYPA project as “vacant,

unimproved land.” This is so ludicrous as a baseline as to call into question the professional capability of this consultant. There was subsequently a very minor revision in the revised PSP, leaving the methodology still deeply, and fatally, flawed, undermining the credibility of the study. This will be further addressed herein below.

Given these issues, it would be most desirable for FERC to require that the community stakeholders share in a joint process, along with NYPA, in examining and selecting professional firms, so that there is a joint consensus regarding their ability to deliver truly objective research. This would inspire public confidence in the process.

### **Shorter Term License Period of 30 Years Maximum**

As stated in my previous submission, I reiterate our strong feeling that another half-century is too long a period to renew this license. If NYPA-B/G is relicensed, it should be for no longer than 30 years, to allow for a re-examination of design and operation parameters. As discussed herein below, when the project was built in the 1960’s, it was impossible to anticipate the climate change trends that have so severely changed our circumstances here. This dam was designed for much lower levels of precipitation. Current trends show a great increase in both severity and frequency of major weather episodes, and we must prepare adequately for the future, incorporating new realities into upgraded designs. It is not wise to extend the license for another 50 years, without re-examining this again much earlier to scrutinize whatever meteorological, seismic, environmental and other factors might have significantly changed yet again, leaving us with an inadequate design to ensure public safety, as well as energy generation needs.

Logic dictates that a shorter interval be licensed, to ensure adequate modifications with the experience of further decades of operation, whatever that experience illuminates.

#### **2.1 Historic Structures Study ( pp 3 – 10 of NYPA’s Revised PSP)**

NYPA’s Revised PSP has basically ignored the stakeholders’ comments.

It is obvious that the impacts of the Blenheim-Gilboa project extend far beyond the boundaries of the NYPA property. The entire Schoharie Valley, and its historic structures, are vulnerable should this dam collapse --- as it very nearly did in Hurricane Irene flooding (August 2011), destroying our

historic Old Blenheim Bridge, a National Historic Landmark. The loss of this historic icon was due, in part, to the sudden surge of unprecedented force, that was precipitated not only by a record amount of water, but also by failures of multiple redundant systems at the NYPA – BG project, impeding the operation of the gates in the dam. This is an earthen dam impounding 4 billion gallons of water, and it truly strains credulity to suggest that the only potential historic impact to assess is the already historic home which NYPA confiscated by eminent domain, and which is actually not impacted by the project in the future (as it is above flood level) --- while ignoring the real, valid potential vulnerabilities that this earthen dam does actually create for the entire Schoharie Valley --- from historic sites in Gilboa and Blenheim to Schenectady, including the Old Stone Fort at Schoharie and the Historic Stockade District in Schenectady.

I reference my further comments on this subject, as previously submitted. The APE is far too confined for a credible, professional study of historic impacts.

## **2.2 Archaeological Survey ( pp 12 – 17 of NYPA’s Revised PSP)**

NYPA’s Revised PSP has basically ignored the stakeholders’ comments.

Again, the APE proposed for the archaeological study is limited to the boundaries of the NYPA – B/G project, which ignores the intent that this process should examine the impacts of the project. There are other potential assets throughout the valley that deserve at least a cursory inventory. The area is very rich in Iroquois artifacts. The local Iroquois Museum in Howes Cave, as well as the State University of New York (at Albany and at Cobleskill) could be engaged to assist in such studies, to provide some meaningful results. There is even an archaeologist resident of Blenheim, locally, with a PhD in archaeology, whose experience and local roots and knowledge of previous area digs, could be tapped for this type of broader study.

I reference my further comments on this subject, as previously submitted. The APE is far too confined for a credible, professional study of archaeological impacts.

## **2.3 Fish Entrapment Protection Assessment Study ( pp 18 – 25 of NYPA’s Revised PSP)**

NYPA’s Revised PSP has basically ignored the stakeholders’ comments.

Again, there is no attempt to deal with the obvious far-reaching effects of this huge hydroproject on the stream ecology of Schoharie Creek. Habitat issues for several species, recreational and tourism impacts, scenic degradation, loss of stability in the creek bed and channels, agricultural impacts, and other environmental impacts are ignored. Instead, the proposed plan is to merely assess the impacts upon fish species migrating between upper and lower reservoirs.

This is absurdly preposterous. One cannot assess the environmental impact of a megaproject like this 4 billion gallon earthen dam and its two reservoirs in a vacuum, ignoring all impacts except the fish that are confined within the dam. It is simply indefensible from a professional perspective to pretend that there are no further environmental impacts for the broader resources of Schoharie Valley.

This is such a dishonest approach to science, and to environmental concern, that it boggles the mind.

I reference my further comments on this subject as previously submitted. The APE is far too confined for a credible, professional study of environmental impacts. There should be a full, thorough, in-depth Environmental Impact Study of the ecological impacts throughout the Schoharie Valley.

#### **2.4 Recreation Use / User Contact Study ( pp 26 – 36 of NYPA’s Revised PSP)**

NYPA’s Revised PSP has basically ignored the stakeholders’ comments.

Again, it is simply not credible to merely look at the very limited APE. Just as one example, the Schoharie Creek, downstream of NYPA – B/G, in the past has been a viable venue for canoeing and kayaking events, and downstream releases by NYPA could help restore such activities, which help boost recreational tourism, an important part of our local economy.

I reference my further comments on this subject as previously submitted. The APE is far too confined for a credible, professional study of historic impacts.

## **2.5 Downstream Flooding Study ( pp 37 – 43 of NYPA’s Revised PSP)**

As stated herein above, we endorse the recommendations submitted by Dam Concerned Citizens, Inc. (DCC) and by the Schoharie County Board of Supervisors regarding the issues of Dam Safety and of Flood Mitigation.

It is particularly important that NYPA be required to upgrade the design of this dam. Construction in the 1960’s did not anticipate the trends in climate change, and the tremendous increases, in both frequency and severity, of major storm events. The design for the next half-century must address these significant changes.

We are especially concerned at the very substantial differential between the formulae for projecting Probable Maximum Flood (PMF) and Stream Flows, in comparing those done by the New York City Department of Environmental Protection (NYCDEP) and those done by the New York Power Authority (NYPA). The severe weather episode we experienced in 2011 with Hurricane Irene confirmed the validity of NYCDEP’s data, leading one to disbelieve the NYPA data. NYPA must be required by FERC to reconcile this differential, and to improve their methodology.

The very detailed data submitted by DCC and Schoharie County reinforce this very important issue, and the Town of Blenheim fully supports their recommendations.

## **2.6 Socioeconomics Study (pp 44 – 52 of NYPA’s Revised PSP)**

NYPA’s Revised PSP has basically ignored the stakeholders’ comments.

### **Tax-Exempt Status Impacts on Host Communities**

The Revised PSP persists in ignoring reality in its proposed methodology for analyzing the impacts on host communities of its tax-exempt status.

The Town of Blenheim, the Town of Gilboa, the Gilboa-Conesville School District and Schoharie County have been deprived of substantial, and desperately needed, revenue for basic services in the past half-century, as a result of NYPA confiscating substantial property through eminent domain.

Among the host communities, none has been as severely impacted as the Town of Blenheim, which lost a third of its tax base to the NYPA – B/G project. Blenheim is already the smallest town in

population, and among the poorest. Due to the deprivation of our tax base, these circumstances have been severely exacerbated, and we are among the highest taxed towns in the county, even though our services are the most minimal of any communities. Having lost such a huge portion of our tax base, we are severely challenged to even meet the most basic needs of our citizens. We struggle along with inadequate public facilities and equipment, for our highway infrastructure, for our emergency services, and other needs. In addition, the economic circumstances created by these impacts do not enhance our ability to attract business development.

In its presentation of its PSP in October 2014, NYPA proposed to evaluate this tax loss impact by treating its facility as “vacant, unimproved land”. This was so absurd as to be preposterous. As indicated herein above, this is so ludicrous as a baseline as to call into question the professional capability of this consultant.

Although the revised PSP does hold forth a minor revision, it leaves the methodology still deeply, and fatally, flawed, undermining the credibility of the study.

In their revised PSP they have modified their methodology by now proposing to examine the “current development values”, and evaluate potential revenue effects based on the average assessed value per acre in the area. While this does move the needle a notch above the absurd initial proposal, it is still totally inadequate to reflect a realistic value.

Shawn Smith, Blenheim Town Supervisor, has submitted a detailed response herein to address this issue. I fully endorse and support his filed statement. As he indicates, the increased tax burden that the remaining residents have had to absorb, to essentially subsidize NYPA, to whom our town and others provide services, is patently unfair.

I reside on a farm, on Burnt Hill Road in Blenheim, where my family has lived and farmed for several generations. We are on a hill which overlooks the NYPA – B/G hydroproject. I can attest that it is actually there, physically. It is no mere mirage. Where there once were fertile, productive, scenic farms which contributed to the local economy and enhanced the environment, there is now an enormous physical plant. It is not “vacant, unimproved land”.

Nor does it represent the “average value per acre” of lands in the adjacent area. Furthermore, NYPA is an entity which generates enormous profits, and also it is an entity that is not known for being a model of frugal budgetary restraint in its expenditures. This very profitable “public benefit” agency

can well afford to contribute some compensatory relief to the tiny, beleaguered host community of Blenheim whose tax base it has decimated, as well as to the other host communities.

If the hydroproject at Blenheim-Gilboa were owned and operated by a private sector energy firm, the taxes they would be contributing to this host community would be substantial. The evaluation of the impact of revenue loss on our town, and the other municipal entities that are host communities, must be based on their actual value to have any credibility whatsoever.

This situation is so inequitable as to be intolerable and indefensible. If this key issue is not required to be examined honestly and fairly, then there is nothing else in the licensure procedure that can be trusted. It is so basic, and so obvious, and so common sense, that it must be addressed based on reality. Any other faux methodology undermines the entire PSP and its professional credibility.

### **Emergency Responder Impacts**

It is also inequitable that the host communities and adjacent neighbor communities, with volunteer fire and ambulance services, all suffering with financial challenges and outdated equipment and other issues, have over a half-century had very little assistance from NYPA, when we must cover their facilities with emergency response.

This is an issue on which many of us as stakeholders opined in our previous filed statements, and I reference those previous comments from myself and others.

### **Infrastructure Maintenance Burdens**

Similarly, as host communities we provide services to NYPA in maintaining numerous roads and bridges, on which their heavy equipment and associated traffic take a heavy toll.

The Socioeconomic study should also examine the impact of subsidizing these services for a megaproject that is tax exempt.

Document Content(s)

FERC.NYPA.GSS.Feb.2014.RevisedPSP.DOCX.....1-9