

November 14, 2016

Kimberly Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Blenheim-Gilboa Pumped Storage Project, FERC Project No. 2685-026

NYPA Study Plan Comments

After reviewing the September 2016 Socioeconomic Study Report I wish you to consider some of the factors below which I believe lead to a flawed Study Report.

Sincerely,

Renee Grabowski, 997 West Kill Road, Jefferson, NY 12093
Blenheim Resident, Blenheim Town Councilwoman, member Blenheim Long Term Community Recovery Committee

Socioeconomic Study Report Comments

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3.2.4 Modeling the Effects of the B-G Project's Tax-exempt Status on Tax Revenues and Rates
2nd paragraph reads "In accordance with FERC's recommended modifications of the RSP, the economic effects of the tax-exempt status of the B-G Project were modeled assuming hypothetical tax payments for the improved property as it exists today."

★ This report makes the results of these economic effects based on inaccurate assessed values of the project. It would be appropriate if FERC's recommendation were to have the effects of this portion of the report utilize accurate input/assessed values. NYPA has never provided their known value of the project and has also prohibited an evaluation of the project by a professional assessor.

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4.1.1 Population

2nd paragraph reads "Error! Reference source not found."

★ Can the population growth cited be confirmed since they cannot reference the source?

Source for data in Table 4.1.1-1 Population 1970-2014 is listed as U.S. Census Bureau 2016 – I have tried to locate that date but have come up with different numbers. Using the U.S. Census Bureau link: <https://www.census.gov/population/cencounts/ny190090.txt>

The study lists

Place	1970	1980	1990	2000	2010	2014
U.S.	203,302	226,542	248,718	281,422	308,746	318,857
The Census Bureau link above shows						
Place	1970	1980	1990	2000	2010	2014
U.S.	203,211	226,545	248,709			
difference	91	-3	9			

Place	1970	1980	1990	2000	2010	2014
Schoharie County	24,750	29,710	31,840	91,582	32,749	31,566
The Census Bureau link above shows						
Place	1970	1980	1990	2000	2010	2014
U.S.	24,750	29,710	31,859			
	0	0	-19			

While some figures are the same – some are slightly different which brings the accuracy of the charts into question.

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Table 4.2-4: Financial Characteristics of Housing 2014

✦ I cannot find the data that supports these statistics – the referenced sources do not work.

✦ It appears that the Blenheim Monthly Rent of \$983 would be inaccurately stated – this 370 person community has a monthly rent HIGHER than the United States.

Likewise – the town of Jefferson which has the highest Median Value of housing – also has the Lowest Median Gross Monthly Rent?

Certainly there is some error here. Especially since the source material cannot be found. But the source material could also be in error -

Table 4.1.1-1 Population, 1970-2014 shows Blenheim 2014 Population at 371 – by far smallest population indicated on that table.

Table 4.1.1-2 Population Density, 2014 shows Blenheim land area and 2014 Density by area – the smallest on that table.

Table 4.2-1 Housing Characteristics, 2014 shows Blenheim Housing Units as the least amounts and Occupied Housing at the lowest value.

Table 4.2-1 Financial Characteristics of Housing, 2014 - Logically while Blenheim is shown with the 4th highest Owner Occupied Housing Value – its Median Gross Monthly Rent must be inaccurate as it even exceeds the entire United States Value.

★ It is unknown where the \$983 value came from but clearly with only 155 occupied housing units and a total of 353 housing units, in the 2nd lowest per capita income (Table 4.3.4-1, Income and Poverty, 2014) Town, this rent amount is very suspect to its accuracy.

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Table 5.2.1-1 B-G Project Employment by Zip Code

★ At the 9/29/16 meeting it was brought up that the first Schoharie Zip Code 12157 claiming 17 Employees was incorrect.

Those 17 Employees actually were Albany residents of Zip Code 12112

Table as shown in report.

County	Zip Code	Number of Employees
Schoharie		
Schoharie	12157	17
Gilboa	12076	16
Schoharie	12157	12
Stamford	12167*	10
Jefferson	12093	10
Cobleskill	12043	8
W. Fulton	12194	3
Esperance	12066	2
Richmondville	12149	2
	Other	6
Schoharie County Total		86
Greene		
Prattsville	12468	3
Windham	12496	3
E. Durham	12423	2
Haines Falls	12436	2
	Other	7
Greene County Total		17
Albany		
Albany	12210	4
Westerlo	12193	2
	Other	6
Albany County Total		12
Delaware		
Hobart	13788	2

	Other	8
Delaware County Total		10
Otsego		
Worcester	12197	6
Other		2
Otsego County Total		8
Schenectady	Other	6
Montgomery	Other	2
All Others Combined	Other	9
	TOTAL	150

*Part of ZIP code 12167 is in Delaware County.

Source:

✦ CORRECT CHART SHOULD READ

County	Zip Code	Number of Employees
Schoharie		
Schoharie	12157	17
Gilboa	12076	16
Schoharie	12157	12
Stamford	12167*	10
Jefferson	12093	10
Cobleskill	12043	8
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Greene		
Prattsville	12468	3
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Haines Falls	12436	2
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Greene County Total		17
Albany		
Albany	12210	4
From above Albany	12112	17
Westerlo	12193	2
	Other	6
Albany County Total		12 29
Delaware		

Hobart	13788	2
	Other	8
Delaware County Total		10
Otsego		
Worcester	12197	6
Other		2
Otsego County Total		8
Schenectady	Other	6
Montgomery	Other	2
All Others Combined	Other	9
	TOTAL	150

*Part of ZIP code 12167 is in Delaware County.

Source:

★ This reflects an error on page (i) of the Executive Summary – stating Fifty-seven percent of the employees live in Schoharie County which should actually read 46% are living in Schoharie County.

★ This reflects an error on page (7) – stating Fifty-seven percent of the employees live in Schoharie County which should actually read 46% are living in Schoharie County. As a result of the error in Table 5.2.1-1 B-G Project Employment by Zip Code, assumptions on page 36, Table 5.2.2-2 B-G Payroll by Area, 2014 would be inaccurate.

Pg. 38 6 Socioeconomic Effects of the B-G Project

6.1.1 Employment

★ 2nd paragraph – The B-G Project is expected to support 22 jobs in the towns of Blenheim and Gilboa in 2010 (4 in Blenheim and 18 in Gilboa).

If current (2016) employment in Blenheim and Gilboa is 16 per (corrected) Table 5.2.1-1 B-G Employment by ZIP Code – what expansion is projected by 2020 to require additional employment of 6 persons from the Blenheim/Gilboa area?

There is no indication of what activities or expansions might occur to require so many additional employees and other local benefits as indicated in this section.

★ Also not clear is why under this section contributions of the B-G Project is reflected as positive effects for the entire State, “between 2,000 to 5,500 jobs annually over the modeled period,” yet when local settlement benefits are discussed, financials of B-G Project ONLY is considered. This report should show the area of consideration in consistent reference. Specifically conclusions should be to the Local Communities, Blenheim, Gilboa, Gilboa-Conesville CSD, Schoharie County and Neighboring Communities of Conesville, Jefferson, Middleburgh, Roxbury to allow accurate evaluations.

Source: DP04 Selected Housing Characteristics 2010-2014 American Community Survey 5-Year Estimates

This data supports **pg18** Table 4.2-1: Housing Characteristics, 2014 in the report with regard to Housing Units and Occupied Units for Schoharie County.

This same source includes the Gross Rent chart below.

GROSS RENT				
Occupied units paying rent	2,618	+/-246	2,618	(X)
Less than \$200	19	+/-13	0.7%	+/-0.5
\$200 to \$299	80	+/-38	3.1%	+/-1.5
\$300 to \$499	227	+/-89	8.7%	+/-3.3
\$500 to \$749	1,142	+/-206	43.6%	+/-6.0
\$750 to \$999	666	+/-144	25.4%	+/-5.2
\$1,000 to \$1,499	364	+/-106	13.9%	+/-3.9
\$1,500 or more	120	+/-66	4.6%	+/-2.4
Median (dollars)	729	+/-21	(X)	(X)
No rent paid	398	+/-123	(X)	(X)

✦ Can it be concluded that Blenheim , smallest, poorest, etc, can have the rent value of \$983

Pg. i EXECUTIVE SUMMARY

✦ 6th paragraph – states Expenditures at the B-G Project also include payments ...made to assist First Responder Organizations.... Although there are no tables or actual references made to what those speculated payments are for that time period of 2016 to 2060.

Pg. ii EXECUTIVE SUMMARY

✦ 1st paragraph – states “ The evaluation shows that the B-G Project will support approximately 423 jobs in Schoharie County in 2020 and 682 jobs in 2060. This fact is never broken down as to how many of these jobs are actually direct employees of B-G facility and how many are related or support jobs that would occur. Further there is no explanation as to why there would be this increase except for possibly naturally occurring increases in population of the area.

If there is a potential increase of productivity, activity or use of the B-G facility that would warrant additional employees, that fact is never discussed in this report.

Later in the report, pg. 52, states “employment would increase by about 22 jobs in 2020 and by about 173 jobs at the end of the modeled period (2060). However these are not clearly identified as direct or support jobs. Again, what change in the operation of the B-G Project would warrant doubling the current employee count by 2060.

Pg. ii EXECUTIVE SUMMARY

★ 3rd paragraph - It was commented by Schoharie representatives at various public hearings, that the Assessed values of the B-G Project were never established by a qualified assessor as there was no need to have up to date values for these currently tax-exempt parcels. The Schoharie representatives urged NYPA to provide an accurate value of the B-G Project so these studies would accurately portray current values. NYPA would not provide any value. The Schoharie County representatives then retained a professional assessor to conduct such an evaluation, but NYPA would not allow access to the B-G site.

This report is flawed due to the fact that inaccurate data is used with regard to any valuations of the B-G project. It is estimated that the Blenheim value of the B-G Project would be approximately \$800,000,000 vs. the \$100,641,875 which is used for this study.

★ This report only deals with property in Blenheim & Gilboa, although one other smaller parcel is owned by NYPA in a Schoharie County town.

★ The report continues “Using the Schoharie County tax data valuation approach, taxes on the B-G Project hypothetically would generate approximately \$2.3 million in 2020 and \$6.2 million in 2060.” Again, using unrealistic assessed values makes this conclusion inaccurate. Likewise the values identified using and undeveloped land valuation is also unrealistic as there is actually a powerhouse, warehouses, offices, dams, etc. at the site.

★ The concluding paragraph, “In sum, the B-G Project’s continued operation over the term of a new license is expected to provide significant socioeconomic benefits to Schoharie County, including providing more benefits to the economies of the local and neighboring communities and keeping electric prices lower than if the B-G Project did not continue operating.” This statement may be true in the broadest sense, but there are so many inaccuracies and non-equal comparisons of related data, that one would tend to question its accuracy.

Of interest is the comparison of Population Projections which is 2020 – 2060 (Table 4.1.1-3)

>the comparison of Estimated Annual Savings on Electricity Bills by Customer Class for New York State with the B-G Project’s Continued Operation 2020 – 2060 (Table 5.1.4-1)

>the comparison of Estimated Annual Savings on Electricity Bills by Region with the B-G Project’s Continued Operation (\$Million) 2020 – 2060 (Table 5.1.4-2)

>the comparison of Incremental New Gas Capacity (MW) Necessary without the B-G Project 2024 – 2030 (Table 5.1.5)

>the comparison of Effect of Operation of the B-G Project on Annual Employment 2020 – 2060 (Table 6.1.1-1)

>the comparison of Effect of Operation of the B-G Project on Employment by Sector (Number of Jobs) 2020 – 2060 (Table 6.1.1-2)

>the comparison of Effect of Operation of the B-G Project on Annual Income 2020 – 2060 (Table 6.1.2-1)

>the comparison of Effect of Operation of the B-G Project on Annual GRP (\$ Million) 2020 – 2060 (Table 6.1.3-1)

- >the comparison of Effect of Operation of the B-G Project on Annual Population 2020 – 2060 (Table 6.1.4-1)
- >the comparison of Hypothetical Tax Payments on B-G Project Lands 2020 – 2060 (Table 7.1.2-1-4)
- >the comparison of Hypothetical Tax Payments on B-G Project Lands, Undeveloped Land Valuation Approach 2020 – 2060 (Table 7.1.2-2-2)
- >the comparison of Effect of Hypothetical Tax Payments on B-G Project Lands Annual Employment (Number of Jobs) 2020 – 2060 (Table 7.2.1-1)
- >the comparison of Effect of Hypothetical Tax Payments on B-G Project Lands on Annual Income (\$ Million) 2020 – 2060 (Table 7.2.2-1)
- >the comparison of Effect of Hypothetical Tax Payments on B-G Project Lands on Annual GRP (\$ Million) 2020 – 2060 (Table 7.2.3-1)
- >the comparison of Effect of Hypothetical Tax Payments on B-G Project Lands on Annual Population 2020 – 2060 (Table 7.2.4-1)

★ All of these tables and data reflect years 2020-2060. Yet, oddly - Why wouldn't Table 5.1.6-1: The B-G Project's Annual Expenditure and Revenue (\$ Millions) only show Revenue & Expenditures through 2015 – and not reflect projected Revenue & Expenditures through 2060 as all other tables show to accurately evaluate the entire projects impact for consistency.

Pg. 42 6.1.2 Income

Table 6.1.2-1 Effect of Operation of the B-G Project on Annual Income (\$ Million)

★ This chart would be beneficial if it showed trending starting from initial operation of the B-G Project through the 40+ years of operation, then projecting future Annual Income. Likewise – similar past to future trending would benefit the Gross Regional Product table.

Population – Trending

★ This study makes it is unclear how Population totals are affected. Table 6.1.4-1: Effect of Operation of the B-G Project on Annual Population (for example) shows Blenheim increasing by 4 in 2020, up to 17 in 2030, up to 21 in 2040 up to 32 in 2050 up to 38 in 2060. Table 7.2.4-1: Effect of Hypothetical Tax Payment on B-G Project Lands on Annual Population (for example) shows Blenheim increasing by 10 in 2020, up to 43 in 2030, up to 69 in 2040 up to 128 in 2050 up to 167 in 2060. The numbers from Table 7.4.4-1 Effect of Hypothetical Tax Payment on B-G Project Lands on Annual Population do not clarify if this table would be in addition to the statistics shown in Table 6.1.4-1: Effect of Operation of the B-G Project on Annual Population.

Pg. 57 8.3 Financial Characteristics of FRO's

✦ This chart lists Blenheim Hose Company Combined Fire & EMS Budget as \$12,000. It should be noted that the Town of Blenheim contributed \$4,885 (same amount \$4,885 in 2015) to the Middleburgh Ambulance for its area coverage.