

**Town of Delhi
May 8, 2012**

Resolution # 10 of 2012

TITLE: RESOLUTION REGARDING THE UTILIZATION OF WATERSHED RESOURCES FOR THE PRODUCTION OF HYDRO-ELECTRIC GENERATION AND THE BENEFIT TO WATERSHED COMMUNITIES THERETO

WHEREAS, the Coalition of Watershed Towns (CWT) was established to represent the interests of watershed communities with respect to water supply facilities and systems owned by the New York City Department of Environmental Protection (DEP); and

WHEREAS, the CWT and DEP have entered into the New York City Memorandum of Agreement (MOA) dated January 21, 1997 covering the rights, privileges and obligations of DEP with respect to their access and operation of water resources in the watershed region; and

WHEREAS, the New York City Watershed Region of New York State is fortunate to have significant natural resources within the area which presents the potential to be harnessed for the generation of clean and renewable energy for the benefit of the watershed communities; and

WHEREAS, the New York City Department of Environmental Protection (DEP) owns and operates numerous water reservoirs within the Watershed Region for the purpose of collecting and delivering fresh water for the consumption of New York City residents; and

WHEREAS, it is recognized that the operation of these reservoirs, corresponding regulations and land and easement acquisitions being made by DEP in the Watershed Region imposes significant and long-lasting economic challenges to the Watershed Region; and

WHEREAS, the Delaware County Electric Cooperative (DCEC), a local, non-profit, member-owned electric utility proposed the development of new, clean hydro-electric generating facilities at the Cannonsville, Pepacton, Schoharie and Neversink Reservoirs in 2007-2008 for the benefit of local watershed communities in a project called the Western Catskills Hydro Project (DCEC Project); and

WHEREAS, the CWT supported the Delaware County Electric Cooperative (DCEC) in developing the DCEC Project recognizing that the watershed communities would be the beneficiaries of these facilities; and

WHEREAS, the DCEC submitted on May 8, 2008 an application for a Preliminary Permit and Pre-Application Document to the Federal Energy Regulatory Commission (FERC), the regulatory authority in permitting and licensing hydro-electric generating facilities in the United States, for the exclusive right to develop the resource at a total generation potential capacity of 62 MW; and

WHEREAS, the CWT recognizes that DCEC worked in earnest at engaging DEP prior to and after the submittal of the application to FERC in an effort to reach a mutually-beneficial relationship in regards to the Project and to secure DEP's support and cooperation for the benefit of watershed communities; and

WHEREAS, despite the efforts of DCEC, the DEP submitted to FERC a competing application to the DCEC Project at the subject reservoirs called the "West of Hudson Hydroelectric Project" (DEP Project) for a total generation potential capacity of 28 MW just prior to the closing date of the DCEC Project public comment period of September 22, 2008; and

WHEREAS, DCEC had proposed its Western Catskills Hydro Project for a total generation capacity of 62 MW, over two times the amount of generation proposed by DEP for the same renewable resource, and

WHEREAS, FERC subsequently made a determination to award the Preliminary Permit to DEP over DCEC on the basis of municipal preference and established a Project # 13287; and

WHEREAS, CWT understands DEP has openly declared that they have since abandoned hydro-electric development efforts at the Schoharie Reservoir on the basis that they deem such a resource to be un-economic; and

WHEREAS, DEP has requested FERC to grant an additional preliminary permit to provide DEP more time to study and develop hydro-electric facilities at the Pepacton and Neversink Reservoirs; and

WHEREAS, DEP has filed a license application with FERC for a hydro-electric facility at the Cannonsville Reservoir; and

WHEREAS, FERC has published notice on April 2, 2012 of a "Notice of application accepted for filing and soliciting motions to intervene and protests re New York City Department of Environmental Protection under Docket P-13287" for the DEP license application (available at http://elibrary.ferc.gov/idmws/File_list.asp?document_id=14009039); and

WHEREAS, the CWT believes that watershed communities should receive significant and tangible benefits from the use of watershed water resources at these facilities and that DEP has not proposed or submitted for consideration to CWT or the host communities any information regarding those benefits.

NOW THEREFORE, BE IT RESOLVED, that the Delaware County Board of Supervisors supports the development of the water resources for hydroelectric production to the maximum extent practicable to optimize capacity, provided that arrangements are made to maximize local benefits of the hydroelectric power, including providing low-cost renewable power to local communities and customers. Furthermore, a reasonable time limit should be placed on any permit issued to DEP to assure a commitment to the development of the hydroelectric resources and in the event that time limit expires, the permit process should be reopened to allow other potential hydroelectric developers to apply for a permit.

BE IT FURTHER RESOLVED, that a copy of this resolution be sent to NYS Governor Andrew M. Cuomo, U.S. Senator Kristin Gillibrand, U.S. Senator Charles Schumer, U.S. Congressman Christopher Gibson, NYS DEC Commissioner Joe Martens, NYSDOH Commissioner Nirav R. Shah, NYC Mayor Michael R. Bloomberg, NYC DEP Commissioner Carter Strickland, NYS Senator Majority Leader Senator Dean Skelos, NYS Assembly Speaker Sheldon Silver, EPA Region 2 Director Judith A. Enck, NYS Senator John Bonacic, NYS Senator James L. Seward, NYS Assemblyman Clifford Crouch, NYS Assemblyman Andrew Hevesi, NYS Assemblyman Peter Lopez, NYC Council Speaker Christine C. Quinn, CWT Attorney Jeff Baker and all Watershed Towns within Delaware County.