

October 12, 1995

Hon. Lois D. Cashell, Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, N.E.
Washington, D.C. 20426

Re: Black River Project No. 2569 and Beebee Island Project No. 2538 - 001
Filing of Settlement Offer and Explanatory Statement

Dear Secretary Cashell:

Pursuant to 18 CFR §385.602, enclosed for filing please find an original and eight (8) copies of a Settlement Offer that was recently executed by, inter alia - new license applicants Niagara Mohawk Power Corporation (Niagara Mohawk) and Beebee Island Corporation (BIC), the New York State Department of Environmental Conservation (NYSDEC), the United States Fish and Wildlife Service (USF&WS), New York Rivers United (NYRU) and several other governmental agencies (GA's) or non-governmental organizations (NGO's). A separate Explanatory Statement is required to accompany Settlement Offer submittals by 18 CFR §385.602(c)(ii). This transmittal letter should be considered that Explanatory Statement as the contents hereof assist in documenting and placing into perspective the fact and effect of the Settlement Offer's execution.

INTRODUCTION

The purpose of the Settlement Offer is to document the areas of agreement that exist, after lengthy discussions and negotiations that took place between September, 1994 and the present, with regard to the various aspects of the relicensure, construction, operation and maintenance of Black River Project No. 2569 and Beebee Island Project No. 2538, for which new licenses and water quality certifications are currently being sought by Niagara Mohawk and BIC from the Commission and NYSDEC, respectively. The enclosed Settlement Offer will help both the Commission and NYSDEC expedite the relicensing process by providing an acceptable resolution to concerns expressed vis-a-vis the above-referenced projects for the resources within the Black River corridor. For ease of reference and understanding, attached hereto is Figure 1 from the Commission's April, 1995 Scoping Document 2 for the Beaver River and Beebee Island Hydroelectric Projects.

BACKGROUND

Pursuant to letter dated December 10, 1992 from Mr. Dean Shumway, FERC Director, Division of Project Review-OHL, Niagara Mohawk has been required to submit quarterly progress reports on actions being undertaken to resolve the denials (without

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prejudice) of several water quality certifications, Black River Project No. 2569 being one such denial, issued by the New York State Department of Environmental Conservation (NYSDEC) on November 19, 1992. Niagara Mohawk has submitted eleven progress reports responding to the FERC's December 10, 1992 letter, the eleventh having been dated August 29, 1995.

Activity between Niagara Mohawk, BIC and the NYSDEC with regard to Black River Project No. 2569 and Beebee Island Project No. 2538 relates to the administrative hearing proceedings ongoing before the NYSDEC Administrative Law Judge (ALJ) and settlement discussions that are intended to result in resolve of matters of concern and 401 water quality certificate issuance without further administrative litigation. The NYSDEC hearing was convened in response to separate BIC and Niagara Mohawk requests that NYSDEC review the legality of the Department Staff in denying the above-referenced water quality certification applications. BIC's 401 water quality certificate applications had been denied to BIC for Beebee Island Project No. 2538 in late 1992.

In past progress report submissions to FERC, Niagara Mohawk mentioned two ancillary developments to the administrative hearing process being pursued before an ALJ of the NYSDEC. These ancillary developments were the U.S. Supreme Court's May 31, 1994 decision in PUD No. 1 of Jefferson County et al v. State of Washington, 114 S. Ct. 1900 (1994) and the U.S. Supreme Court's June 6, 1994, denial of the State of New York's Certiorari petition seeking review of the New York Court of Appeals decision in Niagara Mohawk Power Corporation v. New York State Department of Environmental Conservation, 82 N.Y. 2d 191 (1993).

Most developments in the state administrative hearing process currently being pursued relate to the effect of these two judicial decisions. Parties on both sides of the issues being litigated in the administrative proceeding before the Department of Environmental Conservation have taken the position that either the Jefferson County or Niagara Mohawk decision is controlling and dispositive of the contents of 401 water quality certificates. The end result of this colloquy has been a NYSDEC initiated and facilitated effort to reach a negotiated settlement of all matters outstanding, outside of the hearing process.

In furtherance of those settlement efforts, the NYSDEC mailed notices of settlement discussions to entities listed both on FERC's individual project service lists and to the parties to Niagara Mohawk's administrative appeal to the NYSDEC. The participants in these settlement discussions mutually determined to proceed on a river basin-by-river basin basis, with Black River Project No. 2569 and Beebee Island Project No. 2538 being the second set of projects selected on which to focus settlement discussions, Niagara Mohawk's eight development Beaver River Project No. 2645 having been the first. A Settlement Offer was submitted to the Commission for Beaver River Project No. 2645 in late May, 1995. FERC staff has been an invitee and/or an attendee for all of the plenary sessions (John Clements, FERC-OHL) and at most of the Black River/Beebee Island Projects technical sessions (Tom Camp). To date, a total of at least five plenary settlement sessions have been held

(September 22, 1994; October 11, 1994; November 8, 1994; December, 1994 and May 24, 1995) and at least eighteen technical sessions have been held, as well as two conference calls and a two day flow demonstration to comprehensively focus on the issues inherent in the relicensing of the six developments of Black River Project No. 2569 and the one development Beebee Island Project No. 2538. Meanwhile, Niagara Mohawk and various other parties had successfully asked the ALJ to adjourn the administrative appeal hearings so the parties can continue to pursue settlement discussions for the Black River Project No. 2569. The end result of these discussions and negotiations is the attached Settlement Offer.

MATERIALS AVAILABLE

The signators to the Settlement Offer have had available to them the Application for a Major License for the Black River and Beebee Island Projects, filed in 1991, as amended and supplemented by responses to Additional Information Requisitions (AIR's), as well as comments thereon, interventions in the FERC docket, their professional judgment and expertise and the benefit of the several plenary and technical sessions detailed in the "BACKGROUND" section above.

SIGNATORS

The Commission's regulations [18 CFR §385.602(b)] indicate that a Settlement Offer may be made by any participant in a proceeding. This Settlement Offer has been initially executed by Niagara Mohawk and BIC (the new license applicants) and various other GA or NGO entities, all of whom have participated in one way or another in settlement discussions. These discussions were initiated and facilitated by the NYSDEC and were an outgrowth of administrative litigation before the NYSDEC in the context of the NYSDEC's late 1992 denial of Niagara Mohawk and BIC requests for 401 water quality certificates for Black River Project No. 2569 and Beebee Island Project No. 2538, respectively.

RELATIONSHIP TO OTHER DOCUMENTS

Salmon River Project No. 11408 and Beaver River Project No. 2645 Settlement Offers

The submission of the enclosed Settlement Offer to the Commission is generally modelled on the Settlement Offer that was submitted to the Commission on January 26, 1994 by Niagara Mohawk for an initial license for the Salmon River Project No. 11408, as well as the May, 1995 Beaver River Settlement Offer submission. In fact, the good will and enthusiasm generated by those successful and cooperative endeavors has fueled the momentum in pursuing similar results and the enclosed Settlement Offer work product for the seven hydro developments on the Black River.

Various Black River Project No. 2569 and Beebee Island Project No. 2538 Interventions, Comments, Etc.

Several of the signators to the Settlement Offer may be in the happenstance of having signed the Settlement Offer, having previously sought intervention as a party in the FERC relicensing docket and/or commented in oppositions to the relicensure of the project, as same had been proposed by Niagara Mohawk and BIC new license application submittals of late 1991. In these instances, Item X.D (page 12) and H.5 (page 14) of the Settlement Offer make it clear that any prior opposition to the issuance of a new license to Niagara Mohawk for Black River Project No. 2569 or BIC for Beebee Island Project No. 2538 is now superseded by the Settlement Offer signators agreement to "abide by and support the agreements and understandings commemorated" in the Settlement Offer.

Economics of Capacity Additions Proposed In New License Application Submittals

In a letter dated November 1, 1994, pertaining to the Black River Project No. 2569 and several other dockets, Niagara Mohawk had indicated that, due to an extreme downward trend in the Long Run Avoided Cost (LRAC) projections and the Niagara Mohawk-specific Marginal Energy Cost (MEC) estimates, many, if not all, of Niagara Mohawk's capacity-expansion plans affecting the various docketed relicensing project applications were expected to no longer be feasible. Further, Niagara Mohawk indicated that it would address the economic feasibility of each project's power enhancement proposal in conjunction with each respective project entrainment study report filing. While Niagara Mohawk has yet to file its entrainment study report for Black River Project No. 2569, it knows and now represents to the Commission that economic analysis of the new capacity proposal described in Niagara Mohawk's application for new license for the Black River Project, i.e. the installation of a new powerhouse in the north channel of the Sewalls Development to add 1.2 MW's of new installed capacity, shows that this new capacity proposal is not cost justified.

Similarly, BIC had proposed new powerhouse construction in the North Channel of the Beebee Island Project and installation of 3.7 MW's of new capacity therein. As the drop in LRAC's similarly effects BIC, which sells power to Niagara Mohawk, BIC capacity addition plans are no longer cost justified.

Consequently, as part of the Settlement Offer, Niagara Mohawk and BIC have agreed to drop plans to construct the above-referenced power enhancements at the Sewalls Development of the Black River Project No. 2569 and at the Beebee Island Project No. 2538 as well as foregoing, as not economically justified, replacement of existing wooden flashboards with pneumatic flashboards of the same height at the Deferiet, Kamargo and Black River Developments of Black River Project No. 2569 and at Beebee Island Project No. 2538. The benefit/cost ratios of these proposed power enhancements were significantly less than 1.0, and the levelized net annual benefits were negative. The existing project works for these developments are appropriately shown in BIC's and Niagara Mohawk's existing license drawings.

Draft Environmental Assessment

As to their respective projects, Niagara Mohawk and BIC recommend that the Commission consider and evaluate, as an alternative identified in the NEPA evaluation process (over and above the three alternatives identified in the April, 1995 Scoping Document 2 issued in these relicensing dockets), the alternative of the deletion of the proposed power enhancements from the ensuing license order for the Beebee Island Project and the Sewalls Developments of the Black River Project and the continued operation of existing facilities, as life extended, at all six developments, as well as the resolve of other issues within the jurisdiction of the Commission in the manner set forth in the Settlement Offer. BIC and Niagara Mohawk advocate this course of action to most effectively and efficiently conclude the new license application proceedings. In essence, by identifying but not amending their new license applications to propose these changes, BIC and Niagara Mohawk wish to avoid the protracted procedures that might be associated with a BIC and/or Niagara Mohawk capacity amendment proposal. Thus, in so proceeding the Commission can put itself in a new license issuance posture for each project as soon as the draft and final environmental assessment processes have been concluded in late 1995.

Fish Entrainment and Mortality Study for Black River Project No. 2569 ("Study Report Submission")

Niagara Mohawk wishes to make the Commission aware that the evolution and subsequent execution of the Settlement Offer will have an effect on the substance and content of the ensuing Study Report Submission, the Settlement Offer negotiations having been conducted on a parallel but separate track from the preparation of the Study Report Submission that is to be filed later this year. As the Settlement Offer was comprehensive in nature and not restricted to the finite resource view and issue to be addressed in the Study Report Submission, the Settlement Offer reports a comprehensive resolution of these, as well as other, resource concerns. But for this Settlement Offer, Niagara Mohawk would likely proffer different Study Report Submission recommendations, premised on that single issue basis. Being content, however, with the Settlement Offer's disposition of that issue, Niagara Mohawk intends that the Settlement Offer report the recommendations in this regard with the ensuing Study Report Submission omitting any treatment or coverage of recommendations. To the extent that there may be inadvertent discrepancies, the comprehensive Settlement Offer terms and conditions govern and should be reflected in the terms and conditions of the new project license issued by the Commission for Black River Project No. 2569.

Ready For Environmental Analysis Notice

With the execution and submittal of this Settlement Offer, the submittal of all AIR responses and the existence of the April, 1995 Scoping Document 2 for Black River Project No. 2569, BIC and Niagara Mohawk believe that the Commission should forthwith proceed to issue the Ready For Environmental Analysis Notice (REAN) for Black River Project No. 2569 and Beebee Island Project No. 2538.

Scoping Document 2, April, 1995


In addition to the enclosed Settlement Offer being considered a fourth alternative to be evaluated in a Draft Environmental Assessment, as more specifically detailed in the "Draft Environmental Assessment" section above, the Settlement Offer addresses and resolves issues over which disagreement existed at the time of the new license application filing and those issues identified for analysis in the environmental assessment (c.f. Scoping Document 2, April, 1995, pp. 11-15).

CONCLUSION

Give-and-take was inherent in negotiation and execution of the enclosed comprehensive Settlement Offer with the sundry other parties that are either parties to this FERC relicensing docket and/or the 401 water quality certification proceeding ongoing before the NYSDEC, or are state or federal resource agencies. BIC and Niagara Mohawk are aware that the Commission strongly supports negotiated settlements of concerns and, accordingly, it has joined with others in executing a Settlement Offer in an attempt to best respond to resource concerns, while managing the ultimate fate of this relicensing proceeding in a manner acceptable to the interested stakeholders, signators and the Commission. BIC and Niagara Mohawk believe that the Settlement Offer offers just such an opportunity. Successful negotiation of this Settlement Offer will also yield the ancillary benefit of facilitating NYSDEC's issuance of 401 water quality certificates, thus allowing positive FERC action on the relicensing dockets. This Settlement Offer has been or will shortly be submitted to the NYSDEC with a request that the Administrative Law Judge in the NYSDEC's administrative hearing remand the matter to NYSDEC Staff for 401 water quality certificate issuance forthwith.

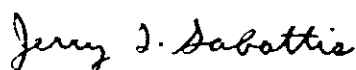
If there are any questions pertaining to this submittal, please call Jerry Sabattis at (315) 428-5582.

Very truly yours,



Thomas H. Baron, President
Beebee Island Corporation

Very truly yours,



Jerry L. Sabattis
Hydro Licensing Coordinator
Niagara Mohawk Power Corporation

Enclosures: Settlement Offer
Scoping Document 2 Figure 1
Attached Service List

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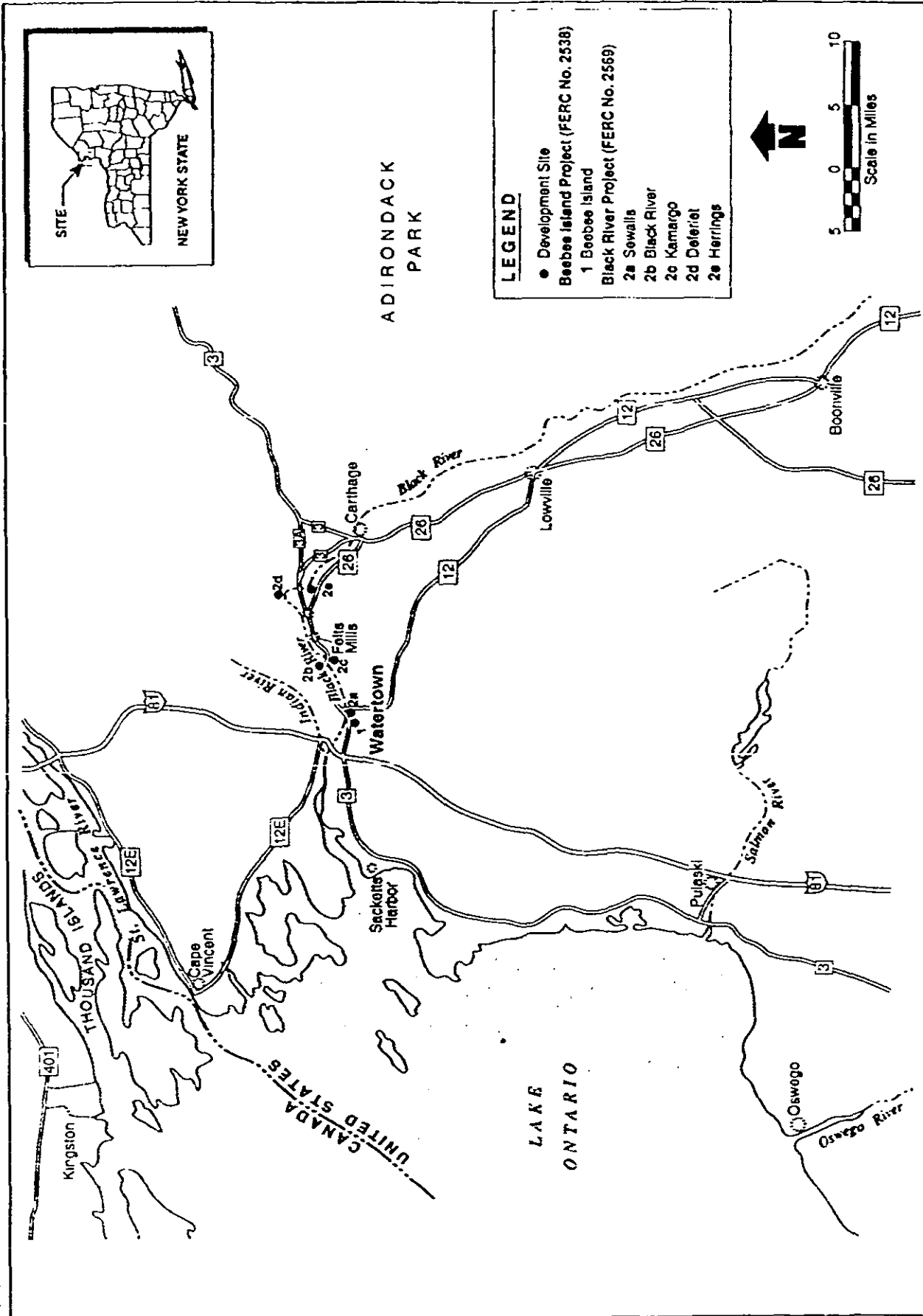


Figure 1. Regional location map
 Black River Multiple Project EIS, FERC Nos. 2569-004, and 2538-001, New York
 (Source: Staff, 1993; AAA Map of New York, 1992).

CERTIFICATE OF SERVICE

PROJECT: BLACK RIVER PROJECT #2569
BEEBEE ISLAND PROJECT #2538

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BLACK RIVER PROJECT, FERC NO. 2569,

of

NIAGARA MOHAWK POWER CORPORATION

and

BEEBEE ISLAND PROJECT, FERC NO. 2538,

of

BEEBEE ISLAND CORPORATION

SETTLEMENT OFFER

September 14, 1995

**Black River Project FERC No. 2569
and
Beebee Island Project FERC No. 2538**

Settlement Offer

Signatories:

**Niagara Mohawk Power Corporation
Beebee Island Corporation
New York State Department of Environmental Conservation
United States National Park Service
United States Fish and Wildlife Service
Adirondack Mountain Club
New York Council, Trout Unlimited
New York State Conservation Council
New York Rivers United
American Whitewater Affiliation
Natural Heritage Institute
American Rivers**

Additional signatories added 10/10/95

September 16, 1995

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I. INTRODUCTION

The purpose of this Settlement Offer is to document the areas of agreement that exist as the result of comprehensive settlement discussions between the signatories with regard to the relicensing of the Black River Project (Federal Energy Regulatory Commission [FERC] No. 2569) and the Beebee Island Project (FERC No. 2538). As such, it is a summary of all areas of agreement emanating from the detailed license application exhibits, studies, reports, meeting minutes and other consultation records that have been and will be developed for the projects and submitted to the consulted resource agencies and FERC.

The goal of this Settlement is to provide for power generation plus the long-term protection of, mitigation for damage to, and enhancement of the Black River's fish and wildlife resources as affected by the hydropower developments at the Black River and Beebee Island Projects. The Settlement will enhance opportunities for recreational and other river uses by reducing non-natural fluctuations in impoundments and riverine reaches affected by the developments in both Projects. Finally, the Settlement will include provisions for monitoring, enforcement and updating or revisitation of agreements.

This Settlement Offer provides the terms and conditions for the resolution of the operations, fisheries, wildlife, water quality, lands management and ownership, recreation and aesthetics issues raised by the signatories regarding the issuance of new licenses for the Black River and Beebee Island Hydroelectric Projects, these being all the issues presently addressed.

The Black River Project, which is licensed to, owned, operated and maintained by Niagara Mohawk Power Corporation (NMPC) consists of the Herrings, Deferiet, Kamargo, Black River and Sewalls Developments. The Beebee Island Project, which is owned by and licensed to Beebee Island Corporation (BIC) but operated and maintained by NMPC pursuant to contractual agreement with BIC, consists of just the Beebee Island Development. BIC is partly owned by NMPC.

All 6 developments are located on the Black River in New York State. The Herrings Development, the furthest upstream, is located 27.5 miles from Lake Ontario and the Beebee Island Project, the most downstream, is located 9.5 miles from Lake Ontario. The developments are in the Villages of Black River and Deferiet, Towns of Champion, Wilna, Rutland and Leray and in the City of Watertown in Jefferson County, New York.

II. GENERAL AGREEMENTS

A. Abbreviations

The following abbreviations will be used throughout this document:

Additional Information Request = AIR
Adirondack Mountain Club = ADK
American Whitewater Affiliation = AWA
Beebee Island Corporation = BIC, or licensee *
Cubic feet per second = cfs
Federal Energy Regulatory Commission = FERC
National Park Service = NPS
New York Council, Trout Unlimited = NY/TU
New York Rivers United = NYRU
New York State Department of Environmental Conservation = NYSDEC
New York State Conservation Council = NYSCC
Niagara Mohawk Power Corporation = NMPC, or licensee *
Run of River = r-o-r
United States Fish and Wildlife Service = USFWS

* or, "the licensees" in uses applying to both corporations

B. Effective Date

The effective date of this Settlement Offer is the date the FERC license is issued. However, if a party seeks rehearing on a particular issue, then the effective date of obligations under the Settlement Offer on that particular issue will be the date of final resolution of that issue by FERC or the applicable judicial forum.

C. Run-of-River Operation

For the purposes of this Settlement Offer, run-of-river operation is defined as operation based on an active storage volume of zero cubic feet at all times; therefore, the instantaneous sum of all discharges and releases will equal the instantaneous inflow to the impoundment to the extent practicable. This condition may be temporarily modified by operating emergencies beyond the control of licensees or for short periods upon mutual agreement between the licensee and the NYSDEC. The USFWS will be notified of these events by licensee.

D. Flows

1. The licensees will provide a continuous flow of not less than 1,000 cfs through the 6 developments, except when inflow is less than 1,000 cfs, outflow will be determined by and be equivalent to inflow.
2. There are some surges that are within and others that are beyond the control of licensees. For the purposes of this Settlement Offer, "surge" is defined as a sudden and perceptible, manmade raising or lowering of river flow and stage (where "sudden" is on the order of minutes).
3. For the purpose of establishing the duration of flows designated for walleye spawning season, walleye spawning season is defined as that period of the year commencing on March 15 and continuing until 30 days after the average daily water temperature of 50 degrees Fahrenheit is reached or exceeded on four consecutive days after April 15, unless modified by mutual agreement between NYSDEC and USFWS.

E. Flow Release Structures

Flow release structures will be designed to minimize adverse impacts to fish moving downstream and be cost effective and reasonable. Final details of designs, including final locations and the potential need for fish protection and conveyance measures (e.g., plunge pools, piping, etc.), if any, will be based on 1996 field inspections and professional judgement of the USFWS and NYSDEC. Installation will be undertaken by licensees within two years of FERC license issuance.

F. Project Operations

1. For compliance purposes, no impoundment elevation shall drop lower than 0.5 feet below the permanent crest of dam or the top of flashboards when dam is so equipped. This condition may be temporarily modified by operating emergencies beyond the control of the licensee or for short periods upon mutual agreement between the licensee and the NYSDEC. The USFWS will be notified of these events by licensee.

Additional operating conditions are described for the Herrings Development (III.A.), the Sewalls Development (VII.A.), and the Beebee Island Project (VIII.A.).

2. In order to protect nests of reservoir spawning fish and migratory and non-migratory nesting birds, flashboards shall be installed at each development by May 1 or as soon thereafter as safely possible.

3. If the impoundment cannot be maintained within 0.5 feet of the top of the flashboards between May 1 and June 30 because of flashboard problems, licensees will, for ease of communication, alert the local NYSDEC to propose remedial actions. NYSDEC will communicate with the USFWS, and will within 5 business days approve which, if any, remedial actions may be done before June 30. Permission for remedial actions will be granted only upon agreement by both agencies.

G. Fish Protection

To exclude many adult fish from being entrained through the turbines, licensees will replace the existing trashracks at all developments with new trashracks having 2-inch clear bar spacing. In addition, at all developments except for Sewalls Development (for which only the 2-inch clear bar spacing trashracks are required), overlays having 1-inch clear bar spacing will be placed in the top 50% of the water column from May 1 through October 1.

Installation of at least one set of new trashracks and overlays at any development will be completed within 2 years of the date of license issuance. Work on all developments within a project will be completed by year 12 from the date of issuance of the applicable license.

H. Upstream Fish Passage

Consistent with existing fishery management objectives, no upstream fish passage measures will be required at this time.

I. Fisheries Management

No effectiveness studies of fish exclusion, protection or movement will be required as part of this Settlement. However, should the understanding of fish movements, fish-passage technology, fishery management goals, or other needs change during the term of the licenses, the USFWS reserves the authority of the Department of Interior to prescribe fishways as may be deemed necessary in the future.

J. Endangered Species and Historic Preservation

There are no endangered species or historic preservation issues for these developments according to presently available information.

K. Visual Resources

All new and replacement fencing, including support structures, will be painted or finished in a dark brown-green (as used at the Kosterville Development on the Moose River). Existing fencing will be finished to the same color when maintenance includes painting or refinishing. Similar consideration will be given to out buildings or other architectural improvements to existing structures.

L. Access

Any access granted or acquired for recreational purposes in the context of this Settlement will be for general public use and not restricted to fishing.

M. Recreation Facilities and Consultation

Recreational facilities, as described in the above-referenced FERC new license applications and any Additional Information Request (AIR) responses filed with FERC, will be provided at each applicable development within two years of effective date of license issuance. Any exceptions or additions are described under the Recreation section for each development listed in this Settlement Offer (and are generally indicated on maps for each development, included as Attachment 3). Indicated recreational facilities will be located on licensees' existing lands unless otherwise noted. Existing recreational facilities as described in the applications will be maintained unless otherwise noted herein.

Recreation enhancements will be developed in consultation with individual members of the Black River Advisory Council (described in Attachment 1).

N. Cartop Boat

For the purposes of this Settlement, a cartop boat is one which requires neither a ramp nor trailer to launch and retrieve.

O. Proposals Withdrawn

Licensees' proposals to erect pneumatic flashboards at the Deferiet, Kamargo and Black River Developments; to construct a new powerhouse and generating facility on the north channel of the Sewalls Development; and to construct a new powerhouse and generating facility on the north shore of the Beebee Island Project and to increase the impoundment elevation at the Beebee Island Project by 5 feet through the installation of an inflatable crest dam, are all withdrawn. No changes to existing normal impoundment elevations are proposed.

III. HERRINGS DEVELOPMENT

A. Reservoir Fluctuations

For compliance purposes, the impoundment elevation shall not drop lower than 0.5 feet below the permanent crest of dam, or the top of flashboards if they have been installed. In an effort to further minimize fluctuating flows in the river reach below the Deferiet Development, licensee agrees to use its best efforts to achieve a goal of further reducing impoundment fluctuations at Herrings from 0.5 feet to 0.2 feet during a combination of the following conditions:

- 1) when river flows are between 1400 and 1900 cfs; and
- 2) between the dates of May 1 and October 1.

The degree of success on the part of the licensee in achieving this goal will not be used for regulatory compliance purposes. The licensee will annually report to the Black River Advisory Council on its effectiveness in achieving this goal.

B. Flow Release

A year-round flow of not less than 20 cfs will be released through the stoplog section located between the dam and trashracks to provide a downstream fish movement route.

C. Recreation

The following will be provided (see also Herrings map in Attachment 3):

1. Portage Trail -- Licensee will provide a portage trail on licensee's lands from the existing cartop boat launch on the north shore to a put-in below the tailrace, details to be determined in consultation with members of the Black River Advisory Council.
2. Cartop Boat Launches -- Licensee will provide overland access to a new cartop boat launch at the downstream end of the new portage trail described in III.C.1., above. Licensee will also continue to provide access to and parking at the existing cartop boat launch as this will serve as the starting point of the new portage trail.

IV. DEFERIET DEVELOPMENT

A. Bypassed Reach Flows

Bypassed reach flows will be provided through a combination of leakage, releases over the dam, and releases through the stoplog structure. Regardless of the portion of the bypassed reach flow attributed to leakage, licensee will provide a flow of not less than 45 cfs through the modified stoplog structure to provide for downstream fish movement. An instream flow of not less than 800 cfs will be provided through walleye spawning season and not less than 245 cfs throughout the remainder of the year. Reduction of flows at the end of walleye season will be in no more than 200 cfs increments at no less than four hour intervals, or as otherwise determined to be needed based on field inspections by licensee, NYSDEC and USFWS which will be conducted during the first year after release structures are installed.

B. Recreation

The following will be provided (see also Deferiet map in Attachment 3):

1. **Cartop Boat Take-out/Put-in at Deferiet Impoundment** -- Licensee will provide a new cartop boat put-in/take-out on the north shore of the Deferiet impoundment above the existing boat barrier, to include a 6 to 8 car capacity parking area with access from NYS Route 3.
2. **Cartop Boat Put-in at Deferiet Bypassed Reach** -- Licensee will provide a canoe put-in approximately 200 feet below the Deferiet dam. Signs here shall warn of downstream whitewater associated with use of this put-in.
3. **Recreational Access to the Black River at Deferiet Bypass/Tailrace Confluence** -- Licensee in cooperation with the Village of Deferiet will support cooperative development of recreational access to the Black River on Village of Deferiet and licensee's land about 8,000 feet downstream of the dam, subject to approval of licensee's plans submitted to the Village of Deferiet and cooperation of the Village of Deferiet in making their lands available for the public.
4. **Portage Trail** -- Licensee will provide a portage trail across the headgate structure between the impoundment take-out and the bypass put-in.
5. **South Shore Access** -- The existing access along the south shore of the Deferiet impoundment will be maintained as is.
6. **Other** --
 - (a) Licensee will provide a whitewater hazard warning sign at the headgate for downstream boaters.
 - (b) Licensee will paint fencing along the power canal dark green-brown, as specified in II.K.
 - (c) Licensee will cut off exposed rods in the river bed downstream of the stoplog section of the dam to enhance the area's safety.

V. KAMARGO DEVELOPMENT

A. Bypassed Reach Flows

A year-round instream flow of not less than 120 cfs will be provided in the bypassed reach through a notched section of the dam.

B. Recreation

The following will be provided (see also Kamargo map in Attachment 3):

1. Portage -- Licensee will provide cartop boat portage accommodations described below:

a. Licensee will provide a cartop boat take-out from the impoundment at the upstream end of Poors Island between the Kamargo dam and canal headgate structure;

b. Licensee will provide a new cartop boat put-in at the power canal immediately downstream of the canal headgate structure;

c. Licensee will allow cartop boat passage down a portion of the power canal where water velocities are slow, and will install a new boat barrier and cartop boat take-out on the Poors Island side about 1,600 feet down the power canal from the canal head gate structure in the vicinity of the 23 kv transmission line crossing;

d. Licensee will provide a foot trail from the power canal take-out connecting to the proposed Poors Island Recreation Area trail system;

e. Licensee will provide parking for 4 to 6 cars near the Poors Island access bridge approximately 300 feet from the canal take-out;

f. Licensee will provide a sign near the power canal take-out directing boaters to the cartop boat put-in near the Village of Black River overlook; and

g. Licensee's proposal for a cartop boat take-out on the north shore is withdrawn.

2. Cartop Boat Put-In -- Licensee will provide a new cartop boat put-in upstream of the Main Street bridge adjacent to the Village of Black River overlook and will modify the area to allow safe access.

3. Other -- Licensee will permit shoreline fishing on Poors Island and the north and south shorelines of the power canal upstream of the boat barrier described in V.B.1.c., via lands owned or controlled by the licensee.

VI. BLACK RIVER DEVELOPMENT

A. Bypassed Reach Flows

Instream flows of not less than 300 cfs will be provided in the bypassed reach during walleye spawning season through a combination of notched dam and low-level sluice-gate(s). Not less than 80 cfs will be provided through a notch in the dam during the balance of the year to provide for downstream fish movement. Reduction of flows at the end of walleye season will be in no more than 75 cfs increments at no less than four hour intervals, or as otherwise determined to be needed based on field inspections by licensee, NYSDEC and USFWS which will be conducted during the first year after release structures are installed.

B. Recreation

The following will be provided (see also Black River map in Attachment 3):

1. **Cartop Boat Launch and Take-out** -- Licensee will provide a cartop boat launch and take-out downstream from the site shown in the application. At least four parking spaces will be provided along Huntington Street on licensee's land. Additional parking will be provided as described in VI.8.4. Handicapped (wheelchair) access will be also provided at this location.

2. **Cartop Boat Put-in** -- Licensee will provide a cartop boat put-in as far upstream in the bypass reach as possible.

3. **Portage Trail** -- Licensee will provide a portage trail using Huntington Road and an existing rough dirt road close to the bypass reach.

4. **Other** --

(a) Licensee will provide additional parking south of NYS Route 3 and east of the NYS Route 3 bridge. Licensee will maintain parking at the existing picnic area along the bypass reach south of NYS Route 3.

(b) Licensee will remove the present security fence but will install a protective railing at the present overlook and picnic area and in other locations where licensee deems such necessary for reasonable protection of the public.

VII. SEWALLS DEVELOPMENT

A. Reservoir Fluctuations

Licensee will maintain run-of-river operation, as defined in II.C., of the Sewalls Development between May 1 and September 30 whenever river flow is below 2,000 cfs. During such periods of run-of-river operation, licensee may maintain constant spillage flows above the permanent crest elevation to provide run-of-river operation.

B. Bypassed Reach Flows

Year-round instream flows will be provided in both bypassed reaches as follows:

- 1) In the north channel, there will be a release of not less than 20 cfs through a notch in the dam in addition to the existing 12 cfs leakage; if leakage is reduced in the future, additional release modifications will be provided to maintain a flow of 32 cfs in the north channel.
- 2) In the south channel, current leakage of 137 cfs is sufficient; if leakage is reduced in the future, additional release modifications will be provided to maintain a flow of 137 cfs in the south channel.
- 3) The 20 cfs release through the notch in the dam in the north channel will provide for downstream fish movement.

C. Recreation

The following will be provided (see also Sewalls map in Attachment 3):

1. **Cartop Boat Access** -- Licensee will provide a new cartop boat take-out point at the river overlook on the south shore of the Sewalls impoundment. Signage will be provided at the take-out point to provide direction to potential downstream put-in locations.
2. **Flow Stabilization** -- Licensee will stabilize flow levels downstream to facilitate whitewater recreation by maintaining run-of-river operation between May 1 and September 30 as described in VII.A., above.

VIII. BEEBEE ISLAND PROJECT

A. Operations

Licensee shall operate in a run-of-river mode as described in Section II.C. To respond to instantaneous changes in inflow to the extent practicable, the controls will be set to actuate incremental changes of unit discharge within 0.2 feet of the top of flashboard elevation (431.0 feet USGS), or 0.2 feet of the spillway crest (428.0 feet USGS) when boards are out. For compliance purposes, the Beebee Island Project impoundment shall not drop below elevation 430.5 feet USGS when the flashboards are in or below elevation 427.5 feet USGS when the flashboards are out, in accordance with II.F.1.

B. Bypassed Reach Flows

A year-round instream flow of not less than 14 cfs will be provided in the south channel bypassed reach through a pipe through the dam with a plunge pool downstream.

C. Fish Protection and Downstream Movement

To reduce turbine entrainment-related fish mortality, new trash racks with 2-inch-wide clear space openings will be installed at the project and seasonal overlays will be installed on an annual basis as described in II.G.

Downstream fish movement will be provided from April 1 through November 30 via a modification to the existing stoplogged ice chute. To accommodate safe downstream fish movement, an approximately 3-foot-wide by 2.5-foot-deep flume with a rounded bottom will be installed within the existing ice chute so that it extends beyond the lip of the ogee spillway. A flow of 37 cfs will be provided to attract and convey fish. Measures will be implemented to provide for a 4-foot-deep plunge pool and an improved outlet at the end of the ice chute. Licensee will consult with the USFWS and NYSDEC on the final design. This fish conveyance structure will be installed within 2 years of license issuance.

D. Recreation

The following will be provided (see also Beebee Island map in Attachment 3):

1. **Cartop Boat Take-out** -- Licensee will provide a cartop boat take-out point on the south bank of the Beebee Island impoundment. Signage will be provided at the take-out point to provide direction to potential downstream put-in locations.

2. **Veiling Flow** -- Licensee will provide a veiling flow from the middle section of the Beebee Island Project spillway, approximately 92 feet long. This flow will be provided starting May 1, or as soon thereafter as licensees can safely install flashboards, through October 31 each year. The veiling flow will be released through a 1/2" gap to be maintained under the 3-foot high project flashboards, or through a functionally equivalent alternative.

IX. MISCELLANEOUS

A. Black River Advisory Council

In order to keep abreast of changing conditions that may affect river flows and management objectives, an Advisory Council to be representative of the various interests in the Black River corridor will be formed as more specifically detailed in Attachment 1.

B. Black River Fund

A fund will be established as described in Attachment 1.

C. Enforceability

This Settlement Offer shall be enforceable by any party to the extent that this Settlement Offer is accepted and approved by the NYSDEC and/or FERC and incorporated into the terms and conditions of any § 401 water quality certificate issued by NYSDEC or any new license issued by FERC for the Black River Hydroelectric Project (FERC No. 2569) and Beebee Island Hydroelectric Project (FERC No. 2538).

D. Cooperation

Each and all signatories will abide by and support the agreements and understandings commemorated herein in the context of their participation in the Black River Project No. 2569 and Beebee Island Project No. 2538 licensing proceedings before the FERC, the § 401 water quality certification proceedings before NYSDEC and any other forum, as appropriate.

E. Streamflow Monitoring

Licensees shall develop a flow monitoring plan in consultation with all signatories within 6 months of FERC license issuance. This flow monitoring plan will provide for the installation and maintenance of a United States Geological Survey (USGS) gaging station, unless justification for an alternative gaging system is provided. The flow monitoring plan shall include all gages and/or equipment for the purposes of:

- a. determining the stage and/or flow of the Black River;
- b. determining all other project flows including flows through the turbines and any other bypass/diversion flows; and,
- c. determining project headpond and tailwater elevation.

Licensees shall keep accurate and sufficient records of the impoundment elevations and all project discharges to the satisfaction of the NYSDEC and shall provide such data in a format and interval as the NYSDEC may prescribe. All records will be made available for inspection at NMPC-Watertown within 5 business days or in writing within 30 business days of licensees' receipt of a written request for such records by any of the signatories to this Settlement. Furthermore, licensees will provide a 7-day per week contact person to provide immediate responses to questions about abnormal conditions.

All gaging and ancillary equipment associated with the project, including the headpond and tailwater gages, shall be made operational and fully calibrated within 12 months of FERC license issuance.

The flow monitoring plan including the gage calibration plan shall be submitted to the NYSDEC for review and approval.

Permanent staff gages shall be installed to allow independent verification of headpond and tailwater elevations to the nearest 0.1 foot. Stage versus discharge ratings shall be calibrated when rating changes occur, and maintained for these sites. Access to staff gages shall be provided to the NYSDEC, USFWS and/or their authorized representatives.

NMPC will continue operation of the current data logger array in the present locations and maintain or improve their current data sampling frequency and precision. The precision, location and number of data loggers will not be changed without notice to all signatories to the agreement.

F. Compliance With The Law

Nothing in this Settlement Offer shall preclude FERC, any resource agency or the licensees from complying with their obligations or exercising their responsibilities under the National Environmental Policy Act, the Clean Water Act, the Endangered Species Act, the Federal Power Act as amended by the Electric Consumers Protection Act, the Fish and Wildlife Coordination Act or any other applicable state or federal laws. However, by entering into this Settlement Offer, each signatory represents that it believes its statutory obligations or responsibilities are, or can be, met consistent with this Settlement Offer.

G. Binding Effect

Nothing in this Settlement Offer shall be construed as binding the USFWS or the NPS to expend in any one fiscal year any sum in excess of appropriations made by Congress or administratively allocated for the purpose of this Settlement Offer for the fiscal year, or to involve the USFWS or the NPS in any contract or other obligation for the future expenditure of money in excess of such appropriations or allocations.

H. General Provisions

1. Licensees agree to implement the various obligations and requirements set forth herein. Resource agencies and other signatories agree to support a new 30 year license for the Black River and Beebee Island Projects, incorporating and implementing the provisions contained herein. This support shall include reasonable efforts to expedite the National Environmental Policy Act (NEPA) process. For those issues addressed herein, the signatories agree not to propose, support or otherwise communicate to FERC or any other federal or state resource agency with jurisdiction directly related to the relicensing process any comments, certificate or license conditions other than ones consistent with the terms of this Settlement Offer. However, this Settlement Offer shall not be interpreted to restrict any signatory's participation or comments in future relicensing of this project. Further, this section shall not be read to predetermine the outcome of the NEPA analysis.

If such NEPA analysis leads to addition of any license conditions inconsistent with those contained herein, the signatories recognize that such addition would trigger the rights of the signatories to modify or withdraw from the Settlement Offer pursuant to Paragraph IX.I.1.

2. The signatories agree that this Settlement Offer fairly and appropriately considers the environmental, recreational, fishery, energy and other uses and interests on the Black River. The signatories further agree that this agreement is specific to the Black River and Beebee Island Projects. No signatory shall be deemed, by virtue of execution of this Settlement Offer, to have established precedent, or admitted or consented to any approach, methodology, or principle except as expressly provided for herein. In the event that this Settlement Offer is approved by the NYSDEC and/or FERC, such approval shall not be deemed precedential or controlling regarding any particular issue or contention in any other proceeding.

3. If a § 401 water quality certification or FERC license is issued that results in certificate or FERC license terms inconsistent with the terms of the Settlement Offer, any signatory may withdraw pursuant to Section IX.I.1 of this Settlement Offer. The Settlement Offer, including all mitigative measures and annual contributions to the Black River Fund as specified in Attachment 1, shall remain in effect for the term of the new license and for any annual license issued subsequent thereto, subject to authority reserved by FERC in the new license to require modifications.

4. The signatories have entered into the negotiations and discussions leading to this Settlement Offer with the explicit understanding that all offers of settlement and the discussions relating thereto are privileged, shall not prejudice the position of any signatory participant taking part in such discussions and negotiations, and are not to be otherwise used in any manner in connection with these or any other proceedings.

5. The Settlement Offer shall apply to, and be binding on, the signatories and their successors and assigns, but only with regard to the above-captioned proceeding and then only if the Settlement Offer is made effective as provided herein. No change in corporate status of either or both licensees shall in any way alter licensees' responsibilities under the Settlement Offer. Each signatory to the Settlement Offer certifies that he or she is authorized to execute the Settlement and legally bind the party he or she represents.

I. Approval of Settlement

1. The signatories have entered into and jointly submit this Settlement Offer with the express conditions that NYSDEC approves and accepts all provisions herein and either issues or waives § 401 water quality certifications and that FERC approves and accepts all provisions herein and issues new project licenses for the Black River and Beebee Island Projects consistent with the terms of the Settlement Offer. In the event that either NYSDEC and/or FERC changes, conditions or modifies any provision contained herein in any NYSDEC issued § 401 water quality certifications or FERC orders issuing new licenses, whether through its own action or through incorporation of conditions of § 401 water quality certifications, the Settlement Offer shall be considered modified to conform to the FERC orders unless any signatory to the Settlement Offer within 30 days of NYSDEC's or FERC's action provides written notice by certified mail to the other signatories that it objects to the modification, change or condition. The signatories shall then commence negotiations for a period of up to 90 days to resolve the issue and modify the Settlement Offer, as needed. If agreement cannot be reached, then the objecting party may withdraw from the Settlement Offer, without incurring any obligations or benefitting from rights associated with the Settlement Offer. In the event that the Settlement Offer is withdrawn, it shall not constitute a part of the record of ongoing proceedings.

2. In the event that FERC issues final orders that do not include conditions consistent with Paragraphs IX.A, IX.B and Attachments 1 and 2 of this Settlement Offer and regardless of whether this Settlement is withdrawn from by a party other than licensees, NYSDEC, USFWS or NPS, licensees agree that they will comply with and implement the terms of Paragraphs IX.A and IX.B and Attachments 1 and 2 as long as the Black River and Beebee Island Projects receive new FERC licenses with operational terms and conditions and financial impacts consistent with the Settlement Offer as filed.

J. Dispute Resolution

In the event that any dispute arises with the terms and conditions of this Settlement Offer, the signatories agree to engage in good faith negotiations for a period of at least 90 days, if necessary, in an effort to resolve the dispute, said negotiations to be initiated by the aggrieved party. A minimum of two meetings shall be held to attempt to resolve the dispute during the 90-day period, if necessary. In the event that resolution cannot be reached within the 90-day negotiating period, the dispute may be referred to FERC pursuant to FERC's Rules of Practice and Procedure (18 CFR 385, et seq.).

Notwithstanding any other provision of this Settlement Offer, any signatory may seek relief in any appropriate forum for noncompliance with this Settlement Offer by any signatory hereto.

K. Project Decommissioning

This Settlement Offer does not include any condition relating to decommissioning or dam removal of the Black River or Beebee Island Projects in whole or part. With or without amendment of this Settlement Offer by mutual consent, any signatory may seek such further relief from FERC regarding such decommissioning as FERC may order, recognizing that no signatory to this Settlement Offer has or is advocating decommissioning of either project or any of the project facilities during the term of the new license for the project.

L. Use of Reopener Clauses in the New License

This Settlement Offer is not intended to limit or restrict any signatory's authority, if any, to seek different or modified license conditions through a license reopener. Before any signatory proceeds to seek a reopener, the signatory shall request all signatories to commence negotiations for a period of at least 90 days to resolve the issue, and to agree to modify this Settlement Offer accordingly, if necessary.

M. Severability

In the event that FERC rejects or modifies any of the provisions of this Settlement Offer, then the rest of the agreement shall remain in effect, subject to the provisions of IX.I.1., IX.I.2., and IX.J., above.

X. SIGNATORIES

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

NIAGARA MOHAWK POWER CORPORATION

BEEBEE ISLAND CORPORATION

By: Thomas H. Barr

By: Thomas H. Barr

Vice President -
Title: Fossil & Hydro Generation

Title: President

Date: September 21, 1995

Date: September 21, 1995

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

By: Arthur Savelle, Jr.

Title: Director, Natural Resource Planning

Date: 10/2/95

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

NATIONAL PARK SERVICE

By: W. W. Carver

Title: N.P.S. Field Director

Date: Sept. 21, 1995

Black River Project FERC No. 2569
and Beebe Island Project FERC No. 2538
Settlement Offer

UNITED STATES FISH AND WILDLIFE SERVICE

By: Ronald E. Lamberton

Title: Regional Director

Date: 10-6-95

Black River Project FERC No. 2569
and Beebe Island Project FERC No. 2538
Settlement Offer

ADIRONDACK MOUNTAIN CLUB

By: Betty Lou Bailey

Title: Chairman, Canoe Route Subcommittee

Date: Sept. 29, 1995

Black River Project FERC No. 2569
and Beebe Island Project FERC No. 2538
Settlement Offer

NEW YORK STATE COUNCIL, TROUT UNLIMITED

By: Thomas R. Matias

Title: Committee on Hydro Licensing

Date: September 18, 1995

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

NEW YORK STATE CONSERVATION COUNCIL

By: Henry Cosselman

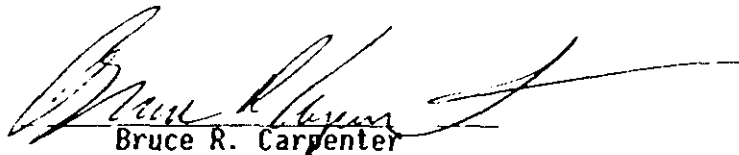
Title: President

Date: Sept. 20, 1995

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

NEW YORK RIVERS UNITED

By:


Bruce R. Carpenter

Title: Executive Director, New York Rivers United

Date: 9-18-95

Black River Project FERC No. 2569
and Beebe Island Project FERC No. 2538
Settlement Offer

AMERICAN WHITEWATER AFFILIATION

By: Peter W. de

Title: Director

Date: 9/24/95

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

ORGANIZATION:

Natural Heritage Institute

By:

Richard Ross. Alb.

Title: Attorney, New York Rivers United

Date:

October 4, 1995

Black River Project FERC No. 2569
and Beebee Island Project FERC No. 2538
Settlement Offer

AMERICAN RIVERS

By: Margaret Bruner

Title: Director of Hydropower Programs

Date: Sept 26, 1995

ATTACHMENT 1

BLACK RIVER FUND AND ADVISORY COUNCIL

September 14, 1995

ATTACHMENT 1

THE BLACK RIVER FUND AND ADVISORY COUNCIL

1. Beginning with the year the FERC license is accepted, NMPC will contribute annually \$3,000 to the Black River Fund ("Fund") for 15 years and \$4,000 annually for the following 15 years.

The fund may be used to facilitate acquisition or options, for the public benefit, of some or a combination of parcels described in Attachment 2, consisting of the following from NMPC:

- (a) permanent conservation easement(s);
- (b) reserved right(s); or
- (c) fee title(s);
 all with appropriate reservations for NMPC access, operation and maintenance purposes;
- and, additionally,
- (d) any other NMPC lands, easements and mineral rights not essential to project operation or maintenance and not otherwise identified herein.

Any money not used for such acquisitions will remain will remain in the fund for other uses.

Financing and requisition will be arranged through NMPC's Land Management & Development subsidiary. NMPC agrees not to alter, encumber or convey rights to the above-referenced parcels for 18 months following license issuance for the Black River Project, FERC No. 2569.

NYSDEC shall be responsible for facilitating the purchase agreement. The State will prepare the title documents, appraisal, surveys and all other documents necessary to transfer title of the property to be acquired at no cost to the Black River Fund or NMPC.

2. The Black River Fund will be administratively managed by NMPC and distributed according to the recommendation of a Black River Advisory Council ("Advisory Council"). The NYSDEC will chair the Advisory Council. At a minimum the following entities shall be invited to serve on the Advisory Council, with service being conditioned, save for Jefferson County, on those entities listed below being signatories to the Settlement:

- New York State Department of Environmental Conservation
- Niagara Mohawk Power Corporation
- United States Fish & Wildlife Service
- New York Rivers United
- New York State Conservation Council
- Adirondack Mountain Club
- Jefferson County
- New York Council, Trout Unlimited
- American Whitewater Affiliation
- National Park Service

Each member will have one vote, with distribution of funds and other Advisory Council decisions to be based on majority vote.

The Advisory Council will also make recommendations for consideration by the regulatory agencies and licensees regarding management of the Black River and hydropower project operations, in accordance with other provisions of this Settlement Offer. The Council shall designate one of the Watertown whitewater outfitters to serve as the liaison with licensees in cases of abnormal river conditions.

The Black River Fund will be used within the Black River basin for projects and services designated by majority vote of the Advisory Council for purposes of ecosystem restoration and protection, natural resource stewardship, public education, facility maintenance, applied research necessary to accomplish these projects and provide these services and additional public access to outdoor recreational resources not currently agreed to by licensees. The Fund is not intended for any of the signatories to carry out any obligations under the new FERC licenses or any amendment thereto. Furthermore, the Fund is not intended for any signatory to discharge any legal or statutory obligations. Unspent money shall accumulate with interest in a Federal Deposit Insurance Corporation (FDIC) insured account or instrument managed pursuant to prevailing trust standards. Within one year following surrender or expiration without annual renewal of the new FERC license for NMPC, available funds accumulated and not otherwise obligated shall revert to NMPC.

ATTACHMENT 2

PURCHASE OPTIONS
FOR CERTAIN BLACK RIVER
LANDS AND INTERESTS OWNED BY NMPC

September 14, 1995

BLACK RIVER LAND PURCHASE/EASEMENT OPTIONS

OPTION	PARCEL DESCRIPTION	PARCEL SBL.#	OPTION DESCRIPTION	ACRES	\$/ACRE	\$
1	Land on north side of river	66.00-3-3	Purchase of land on north side of river.	259	\$650	\$168,350
2	Mill Island	75.12-2-1	Purchase of Mill Island.	10.10	\$1,000	\$10,100
3	Sheep Island	75.12-2-4	Purchase of Sheep Island.	7.89	\$650	\$5,200
4	Land on north side of river	66.00-3-3	Conservation easement on all of the land on the north side of the river. ¹	259	\$325	\$84,175
5	Mill Island	75.12-2-1	Conservation easement on Mill Island. ¹	10.10	\$500	\$5,050
6	Sheep Island	75.12-2-4	Conservation easement on Sheep Island. ¹	7.89	\$325	\$2,600
7	Land on north side of river	66.00-3-3	Conservation easement for two (2) parking areas and a 250' strip along the northern shoreline. ²	80 ³	\$325	\$26,000 ⁴
8	Land on south side of river	75.12-2-4 76.06-2-1	100' buffer strip that prohibits building	32 ⁵	\$425	\$13,600

¹ The conservation easement would prohibit development of the property and allow public access for recreational purposes.

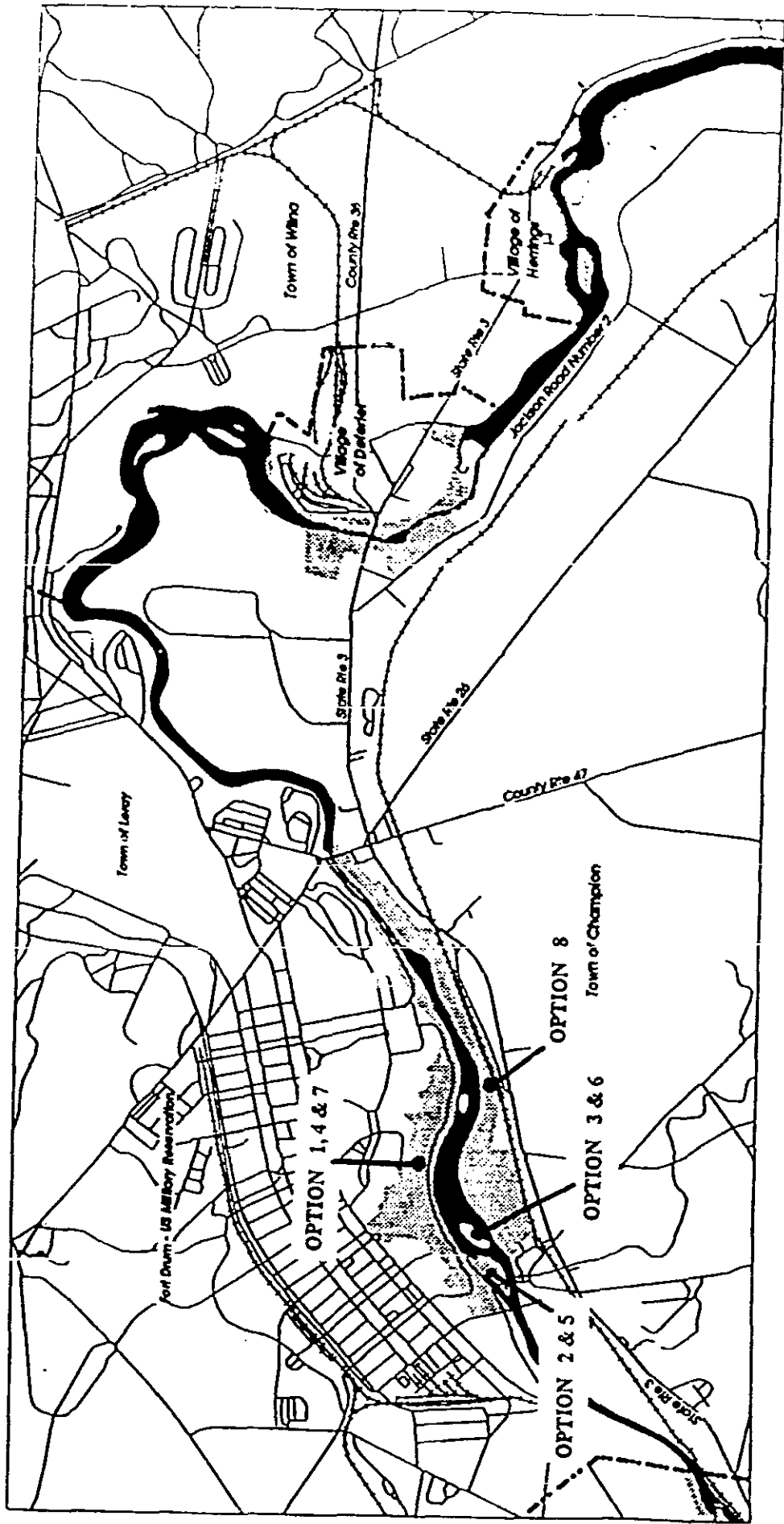
² The conservation easement would prohibit development and cutting of vegetation within 250' of the shoreline and would allow public access for recreational purposes within the 250' strip.

³ Approximately 14,000' of shoreline 250' in width plus two (2) parking areas each approximately 200' X 200'.

⁴ Does not include any capital costs for improvements.

⁵ Approximately 14,000' of shoreline 100' in width. No public access. Only prohibits building.

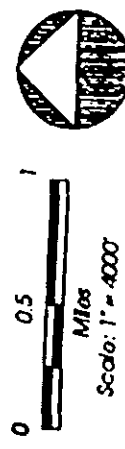
Black River - Development Inventory



Legend

 NMPC Property

Figure BLA-1.2
NMPC PROPERTY
(2 of 2)



A2-2

1296 00000

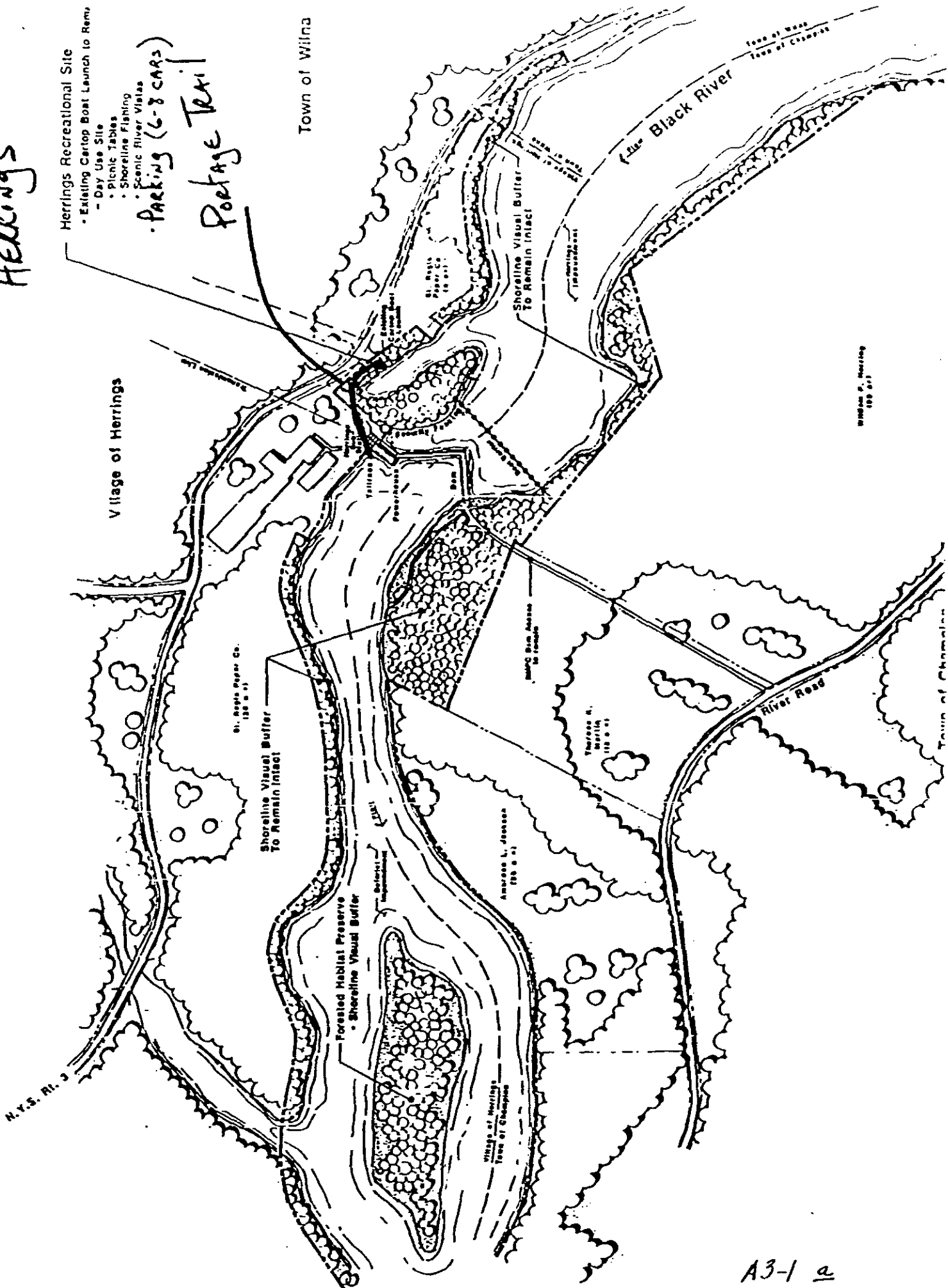
ATTACHMENT 3

RECREATIONAL FACILITIES:
ADDITIONS AND CHANGES

September 14, 1995

1297 0000

Herrings



William F. Herrings
189 s. 1.

A3-1 a

DEFERLET

CARTOP BOAT TAKE-OUT/PUT-IN

- PARKING AREA (6-8 CAR CAPACITY)
- PORTAGE TRAIL
- ACROSS HEADGATE STRUCTURE BETWEEN TAKE-OUT & BYPASS PUT-IN
- SECURITY FENCING (DARK GREEN-BROWN)

ACCESS ROAD & PARKING AREA

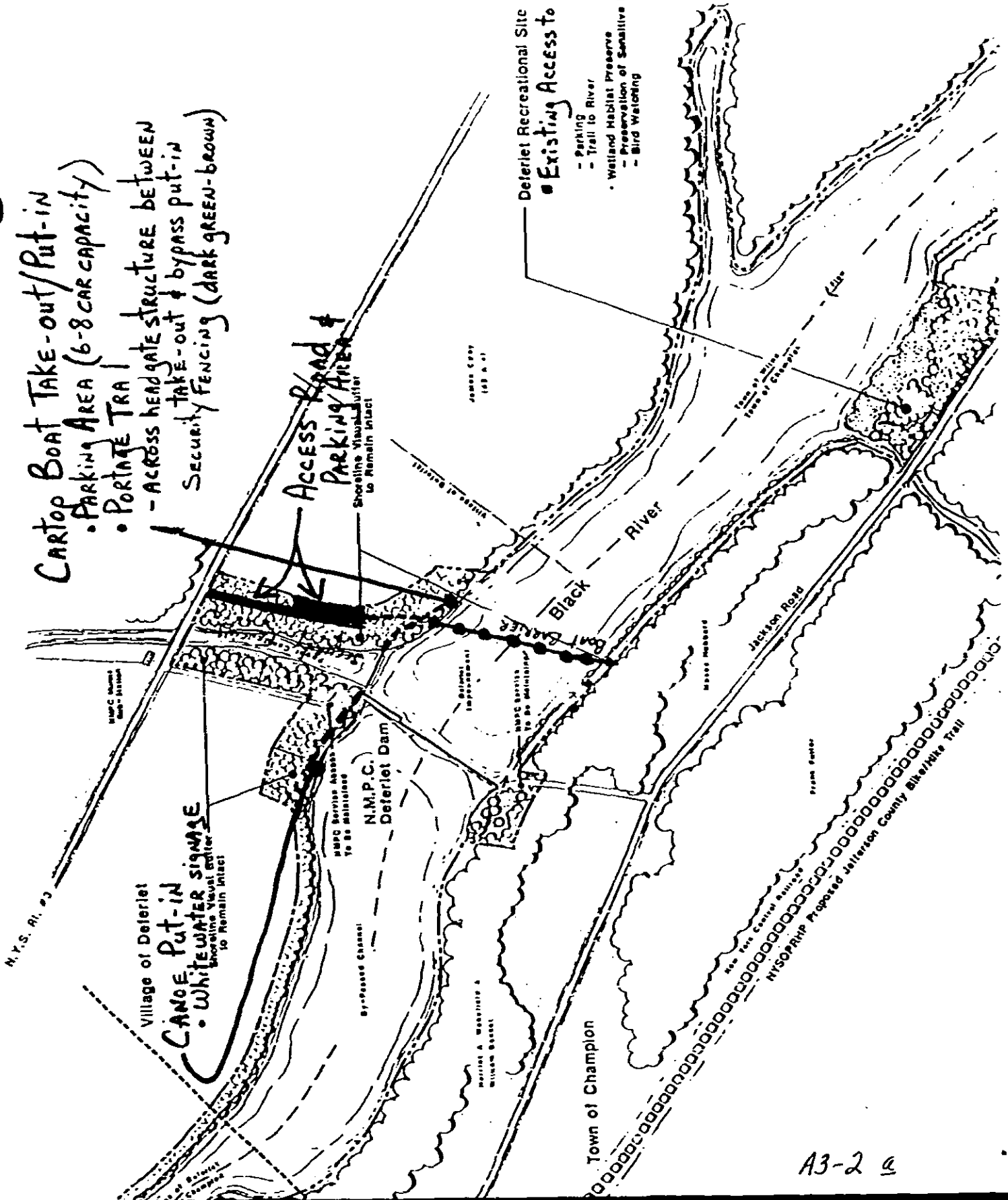
Shoreline Visual Buffer to Remain Intact

CANOE PUT-IN

- WHITE WATER SIGNAGE
- Shoreline Visual Buffer to Remain Intact

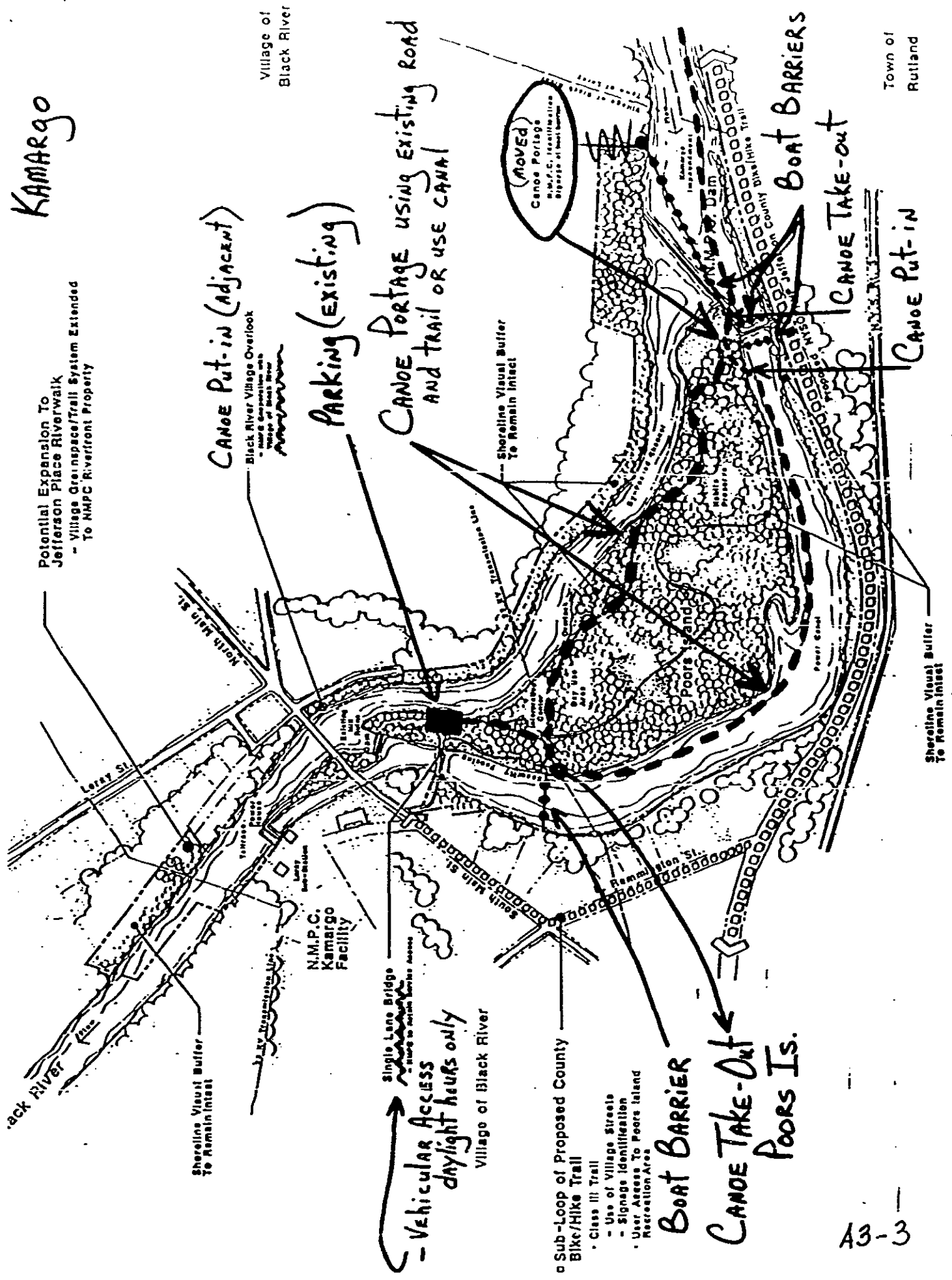
Deferlet Recreational Site

- Existing Access to Remain
- Parking
- Trail to River
- Wetland Habitat Preserve
- Preservation of Sensitive Habitat
- Bird Watching



KAMARGO

Potential Expansion To Jefferson Place Riverwalk
 - Village Greenspace/Trail System Extended To NMPC Riverfront Property



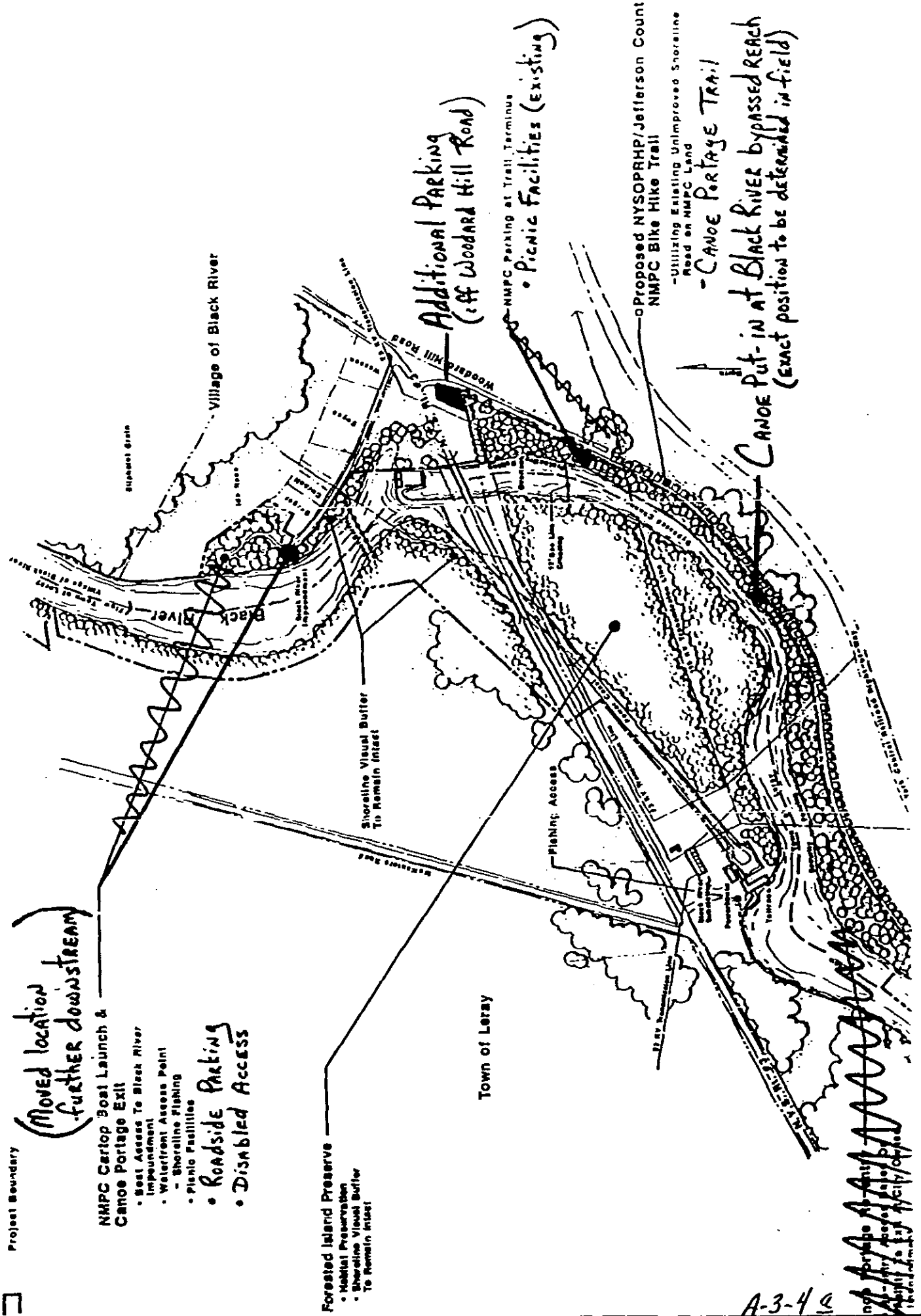
VEHICULAR ACCESS
 daylight hours only

- o Sub-Loop of Proposed County Bike/Hike Trail
 - Class III Trail
 - Use of Village Streets
 - Signage Identification
 - User Access To Poors Island Recreation Area

BOAT BARRIER

CANOE TAKE-OUT
 POORS IS.

Black River



(Moved location further downstream)

- NMPCC Cartop Boat Launch & Canoe Portage Exit**
- Boat Access To Black River
 - Impoundment
 - Waterfront Access Point
 - Shoreline Fishing
 - Picnic Facilities
 - **ROADSIDE PARKING**
 - **DISABLED ACCESS**

- Forested Island Preserve**
- Habitat Preservation
 - Shoreline Visual Buffer To Remain Intact

Town of Leray

Additional Parking
(off Woodard Hill Road)

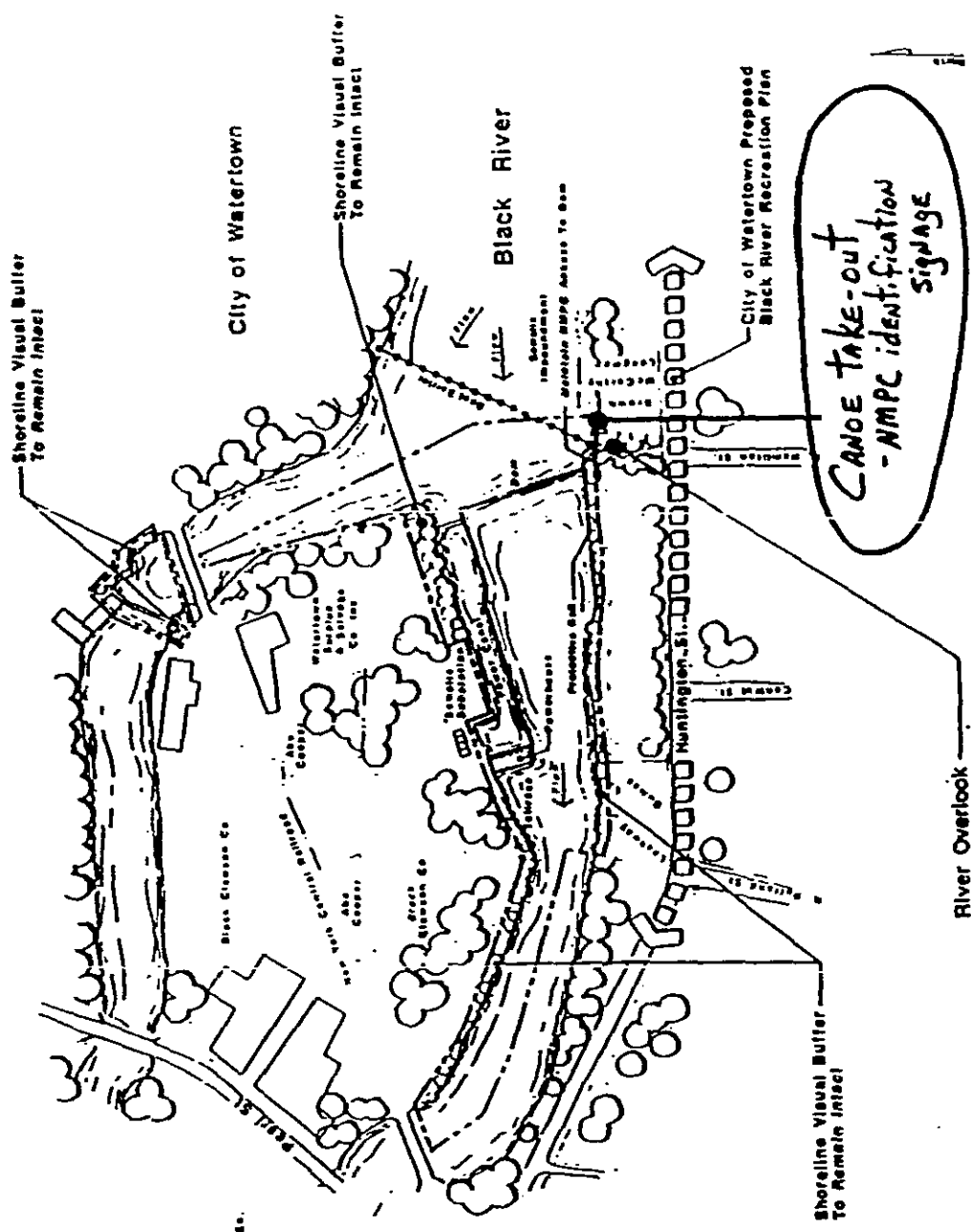
- NMPCC Parking at Trail Terminus
- **Picnic Facilities (Existing)**

- Proposed NYSOPRHP/Jefferson Count NMPC Bike Hike Trail
- Utilizing Existing Unimproved Shoreline Road on NMPCC Land
- **CANOE PORTAGE TRAIL**

CANOE Put-in at Black River BYPASSED REACH
(EXACT position to be determined in field)

SEWALLS

Hydro Facil

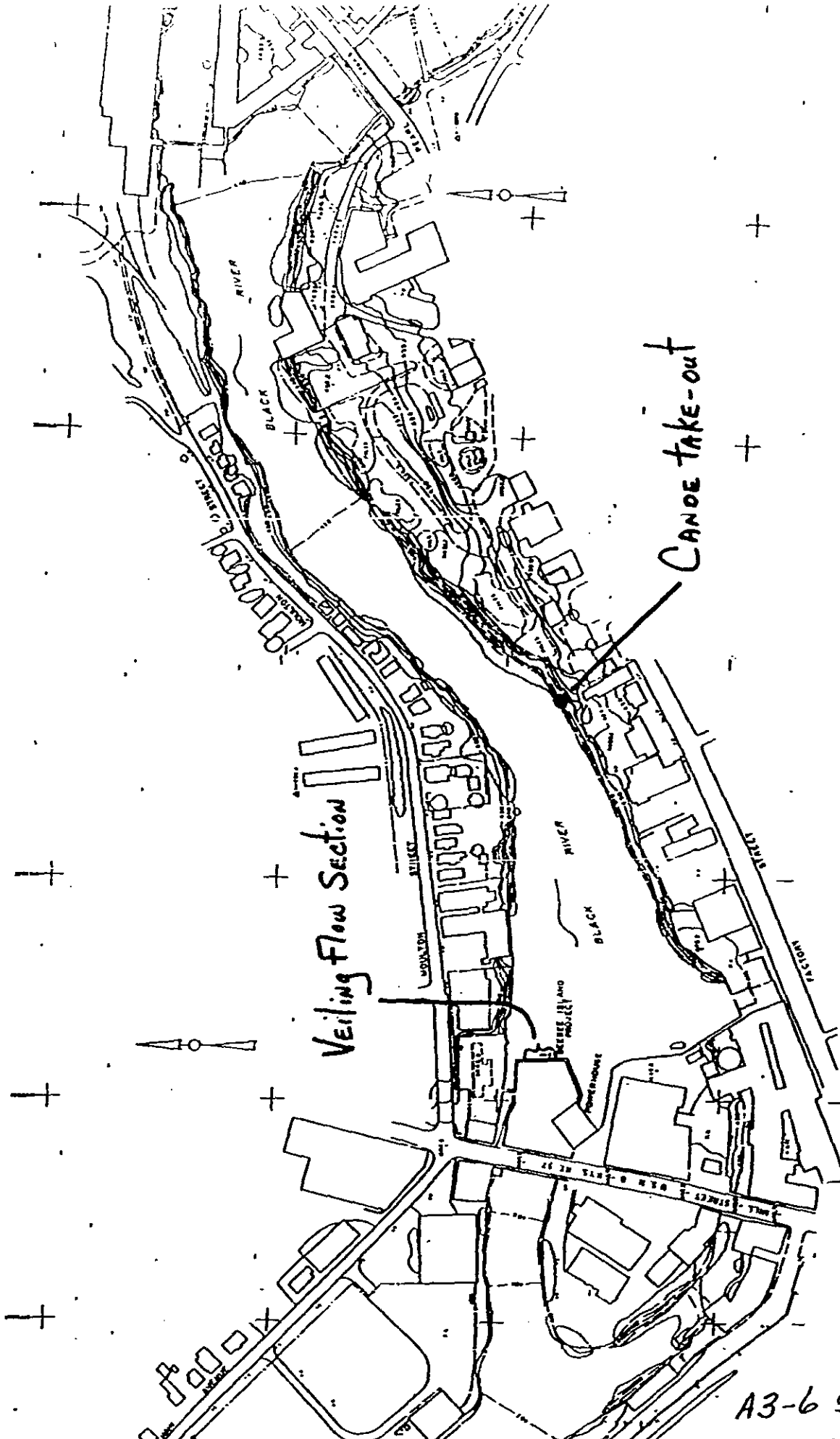


- River Overlook
- Shoreline Fishing 'Raft'
 - Secure Water Access
 - Pedestrian Path From Huntington St.
 - Riverside Walk
 - Hydro Generation Interpretive Signage
 - History of Sewalls Island
 - Hydroelectric Process

City of Watertown

A3-5

BEEBEE Island



A3-6 a

ATTACHMENT 4

HYDROELECTRIC FACILITIES ON THE BLACK RIVER
AND TRIBUTARIES

September 14, 1995

1304 0000

025,118
Existing Hydroelectric Developments in the Black River Basin

(excerpted from City of Watertown Project Environmental Assessment, FERC staff)

<u>River / Plant</u>	<u>Mile*</u>	<u>River / Plant</u>	<u>Mile*</u>
Black River		Deer River	
Dexter	1.5	High Falls	5
Glen Park	8	Kings Falls	8
Beebee Island	9.5	Beaver River	
Sewall's Island	10	Lower Beaver Falls	4
Diamond Island	10.5	Beaver Falls	5
Watertown	11	High Falls	11
Black River	15	Belfort	13
Kamargo	17	Taylorville	14
Deferiet	20	Fimer Falls	15
Herrings	27.5	Effley Falls	16
Long Falls	31	Soft Maple	20
Carthage Mill	31	Eagle Falls	23
Tannery Island	31	Moshier Falls	29
Carthage Paper Mkr.	31	Stillwater	31
Lyons Falls	73	Otter Creek	
Port Leyden (Low.)	76	Otter Creek	3
Rock Island	76	Moose River	
Port Leyden (Up.)	76	Gouldtown (Mill #5)	1
Denley	79	Kosterville (Mill B)	1
Forestport	91	Moose River	2
Kayuta Lake	95	Lyonsdale	3

* Miles measured upstream from the mouth of each river.