

# WESTERN NEW YORK UPDATE

NIAGARA POWER PROJECT

NEW YORK POWER AUTHORITY COMMUNITY NEWSLETTER • SPRING 2007

## NEW NIAGARA LICENSE MEANS 50 YEARS OF BENEFITS TO WNY

**F**ive years of open and publicly inclusive efforts by the New York Power Authority, state and federal agencies and more than 100 Western New York stakeholders has resulted in a new 50-year license for NYPAs Niagara Power Project.

The Federal Energy Regulatory Commission (FERC) approved the new license on March 15 along with a comprehensive settlement agreement between NYPAs and the stakeholders that, together, will provide significant economic and environmental benefits to the Niagara Frontier while assuring continued production of low-cost hydroelectricity that is linked to some 43,000 local jobs.

The license and comprehensive agreement will both take effect when the Niagara project's original 50-year license expires on Aug. 31. However, plans to implement NYPAs many new commitments are already in motion on a variety of fronts (see related story). Over the next several years, this phase of the relicensing process will entail continued cooperation and collaboration with the stakeholder groups, especially those communities closest to the Niagara project.

In announcing its decision, FERC noted the mutual benefits resulting from both the license and the settlement agreement, prompting a joint statement of endorsement by the Power Authority's chairman, Frank McCullough, Jr., and its president and chief executive officer, Timothy Carey.

"The Power Authority has long been committed to contributing to the quality of life in Western

New York through efforts extending beyond the supply of low-cost hydro-power," they said. "The licensing and non-licensing agreements reflect our recognition of this obligation, while preserving our ability to continue to provide the electricity to area businesses at prices far below market rates. We've succeeded in striking the right balance for both endeavors."

Provisions of the license and comprehensive settlement agreement include:

- Environmental improvements, especially those providing habitat for multiple species of fish and wildlife;
- Recreational enhancements that allow better access to the Niagara River and Lewiston Reservoir;
- New power allocations from the Niagara project to host communities, the Tuscarora Nation and Niagara University;
- A fund of at least \$3.5 million annually for waterfront development activities in Buffalo;
- A Host Communities Fund providing at least \$5 million a year, based on the net value of a block of hydropower;

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### Next Steps

## NYPA Gears Up For Busy Implementation Phase

**W**ith approval of a new Niagara project license now secured, Power Authority staff members are gearing up for a busy time of implementing the

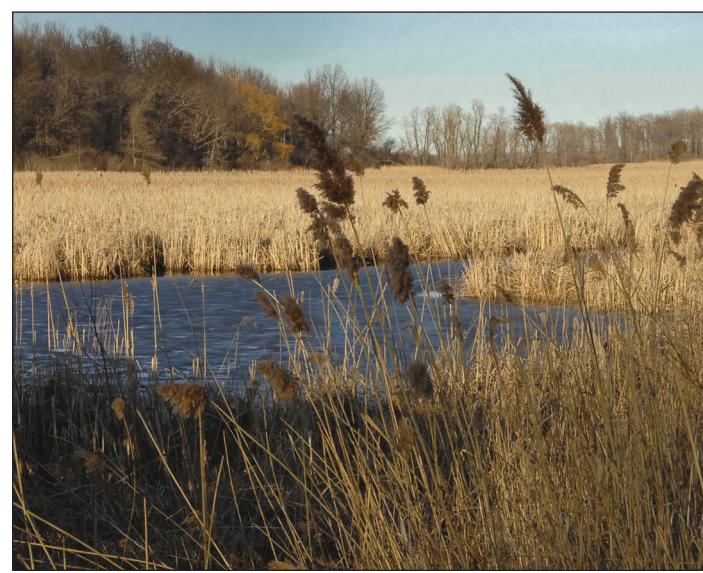
diverse benefits planned for Western New York.

There will be continued opportunities for input and involvement from local stakeholders as relicensing-related plans are developed and activities continue.

One of the earliest deadlines, fast approaching, concerns a new NYPA-sponsored scholarship for two Tuscarora students each year. The deadline to apply for a full-tuition undergraduate scholarship to any State University of New York college or university for the 2007-2008 academic year is April 30. Information and application forms are available on NYPA's relicensing website: <http://niagara.nypa.gov/Tuscarora.htm>.

On May 7, the Power Authority will hold a public hearing at the Niagara Power Vista on nine proposed contracts for new hydro-power allocations totaling 29 megawatts to local stakeholders.

*As part of its Niagara project relicensing, the Power Authority will provide a variety of benefits to Western New York communities, including those along the proposed Niagara River Greenway corridor.*



Habitat Improvement Projects are planned along the upper Niagara River, including one to control invasive plant species at Buckhorn Marsh on Grand Island.

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[www.nypa.gov](http://www.nypa.gov)

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## 50 Years of Benefits

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- Other annual and one-time payments for special projects to benefit Western New York including a habitat enhancement fund, improvements to the Niagara Water Authority's Falls Street tunnel in the vicinity of the power project, enhancements to state parks and a Tuscarora Nation Fund.

## Next Steps

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The contracts stem from separate settlement agreements NYPAs has reached with the Tuscarora Nation, Niagara University and seven host communities, which are Niagara County, the towns of Niagara and Lewiston, the City of Niagara Falls, and three school districts: Lewiston-Porter, Niagara Wheatfield and the City of Niagara Falls.

The public hearing will begin at 1 p.m. Further details are available at: [www.nypa.gov](http://www.nypa.gov).

An Ecological Standing Committee, composed of stakeholder groups and governmental agencies, has already met to begin planning the Habitat Improvement Projects that NYPAs will implement along the Niagara River. Besides the Power Authority, the committee includes the state Department of Environmental Conservation, the U.S. Fish and Wildlife Service, the state Department of State, the Niagara Relicensing Environmental Coalition, New York Rivers

NYPAs successful completion of its Niagara project relicensing will also result in the establishment of four separate funds, totaling \$9 million a year, for activities related to creation of the Niagara River Greenway in both Niagara and Erie counties. These funds will be disbursed through a cooperative effort involving local communities, environmental groups, Indian Nations and state agencies working toward a joint goal of preserving open space along the riverfront while revitalizing the Western New York economy. ♦



*Access to shoreline fishing at NYPAs Lewiston Reservoir will be improved as a result of the Niagara project relicensing.*

United and representatives of the Tuscarora and Seneca Indian Nations.

Each of the four NYPAsponsored funds supporting the new Niagara River Greenway will involve committees representing local interests as well.

And, within the next year or so, three relicensing-related plans—concerning recreation facilities, land management and cultural or historic properties—must be developed and submitted to federal regulators. NYPAs will consult with local stakeholders as each of these plans is prepared. ♦

*The Niagara Falls City School District is one of several stakeholders that is slated to receive new power allocations from NYPAs Niagara project.*



## WNY NOTES

### Power Vista Update

Earlier this year, NYPAs completed renovations to the Community Room of its Niagara Power Project Visitors Center, making this facility available for year-round use by community groups and visitors to the Power Vista.

High-efficiency heating and air conditioning, along with energy-efficient doors and windows, were added to the 4,250-square-foot Community Room, which can comfortably accommodate between 200 and 300 guests depending on the type of event. Non-profit groups interested in using the Community Room at no charge should contact NYPAs Community Relations staff at 716-286-6661.

The admission-free, handicapped-accessible Power Vista contains more than 50 interactive exhibits on energy, electricity and local history. Information on educational programs and upcoming special events can be found at [www.nypa.gov](http://www.nypa.gov). ♦

### ABOUT WNY UPDATE

This newsletter reports on Power Authority activities in Western New York, particularly those associated with NYPAs Niagara Power Project.

We welcome your comments. To contact us, call Joanne Willmott, community relations manager, 716-286-6651.