

REGULATING DISTRICT REACHES TEMPORARY AGREEMENT WITH BROOKFIELD RENEWABLE FOR CONTINUATION OF PAYMENTS TO REGULATING DISTRICT FOR USE OF CONKLINGVILLE DAM

Revenue of \$1.5 Million Annually Was Set to Expire on 12/31/22

The Hudson River – Black River Regulating District and Brookfield Renewable have executed a temporary extension of an agreement providing the company a continued interest in 56 feet of head created by the State's construction of the Conklingville Dam. Since 1927, Brookfield Renewable, which operates the E. J. West plant as Erie Boulevard Hydropower, and its predecessors have compensated the Regulating District for the State's 56 feet of head, added to the 15 feet of head Brookfield Renewable's predecessors already held a property interest in. The payments for the State's property interests have continued annually to the present day, at approximately \$1.5 million for 2022. After Brookfield had notified the Regulating District that it intended to allow the agreement - which had been extended twice previously - to expire at the end of the year, the Regulating District filed a letter with the Federal Energy Regulatory Commission (FERC) detailing the dispute.

The six-month extension of the existing agreement runs through June 30, 2023 and will allow the parties additional time to negotiate, and to seek a ruling from the FERC through its dispute resolution process on whether an agreement providing Brookfield Renewable the necessary property interest in the Conklingville Dam to continue operating the E. J. West hydroelectric plant, as the Regulating District asserts, is necessary. The parties agreed to the extension after the Regulating District notified Brookfield Renewable that it would begin making FERC license-prescribed releases from Great Sacandaga Lake at the dam, rather than through the E. J. West hydroelectric plant, beginning on January 1, 2023.

"We are encouraged by Brookfield's willingness to extend the current agreement, while the parties continue a dialogue aimed at reaching a new agreement," John Callaghan, HRBRRD Executive Director, said. "We believe a FERC ruling supporting our position will help lead to a new, long-term agreement which preserves this important revenue stream, lessening any financial impacts on taxpayers in downstream counties, and ensuring that the Regulating District can continue to provide the important flood protection, flow augmentation, and other recreational, ecological, and economic benefits associated with its operations for decades to come."