



Wednesday September 10, 2020

SECORD LAKE ASSOCIATION

www.secordlakeassociation.org

We want to hear your questions and concerns. We will do our best to answer them. Please realize we may not have the answer to every question. We also recognize there may be some answers we may not like to hear. Our goal is to provide the answer with the facts available. You can email us at SecordLakeAssociation@gmail.com or visit our website to post your question. Please check our website and Facebook page for updated FAQ's. Here are some recent questions:

Q: We keep hearing about FERC . . . what is this?

A: Federal Energy Regulatory Commission (FERC) is an independent federal agency that regulates the interstate transmission of electricity, natural gas, and oil. Since Secord and Smallwood generate electricity, the dams and lakes are under the regulatory authority of this federal agency.

Q: We keep hearing about various letters between FERC and Boyce Hydro. Can you provide a summary to help us better understand this situation?

A: The table on page 2 provides a summary for five unique "letters." The summary was created based on the information available via the FERC eLibrary at the close of business on September 4, 2020. While there are five topics listed, each deals with dam safety with the following FERC requirement: "The reservoir cannot be returned to normal levels until (Boyce) receives authorization from FERC and unless all of the outstanding dam safety items are satisfactorily addressed."

Some of the documents exchanged between Boyce Hydro and FERC are considered Critical Infrastructure meaning the reports are confidential under the Department of Homeland Security. FERC uses the designation CEII (Critical Electrical Infrastructure Information). These reports are not available to the public or others including the FLTF or SLA.

To learn more, please type in Boyce Hydro in the search keyword box at: <https://elibrary.ferc.gov/eLibrary/search>

Q: How does the Mussels Survey impact the FERC requirements?

A: In a letter dated August 13, 2020, the Michigan Department of Natural Resources wrote, "However, the failure of Boyce Hydro Power, LLC (Boyce) to conduct safety inspections and complete necessary repairs is the reason that the lake remains drawn down." The letter goes on to address the Mussels Survey, "The targeted surveys FERC required can be done irrespective of whether the Smallwood and Secord impoundments are filled or in a drawdown condition."

Q: Will Secord residents pay to rebuild Wixom and Sanford Lakes?

A: No. Secord residents will not pay to rebuild these two dams. There will be "shared costs" that benefit all 4 lakes such as legal, engineering, environmental and other expenses. There will be a Secord-only accounting we can all review.

Q: Can I donate money specifically to be used for Secord Dam?

A: Yes. You can send a check to the Secord Lake Association. In the comments section of your check indicate "Secord Repairs." Checks can be mailed to Secord Lake Association, P.O. Box 176, Gladwin, Michigan 48624. You will soon see a DONATE button on our website where donations for Secord Dam repairs can be made.

Q: What is next?

A: This is a fluid situation with many moving parts. At this point (September 7th) we all wait to see if Boyce Hydro met their deadlines to submit two required detailed engineering reports to FERC due on Aug 20 and 21. Right now we do not have a crystal ball into next steps, and we will not speculate or participate in rumor. **We recommend you follow us on Facebook or at our website for updates as they become available.**

Topic

Date Filed

High Level Summary

1 Forensic Investigation	5/20/2020	FERC directed Boyce Hydro to immediately begin formation of a fully Independent Forensic Investigation Team to focus on the Sanford Dam, Smallwood Dam, and Secord Dam.
	June & July	There are numerous letters regarding the need for Boyce Hydro to create, implement and provide the Forensic Investigation and Reports as required by FERC.
	8/11/2020	Boyce Hydro did not respond to FERC's July 8, 2020 Order requiring Boyce to file with the Commission documentation by July 13, 2020 that it has fully executed contracts with the Forensic Team, as required by the Commission's May 20, 2020 Order. Due to the lack of progress by Boyce and the urgent need for this work to begin, FERC has contracted with five of the approved team members in order to start the Forensic Investigation.

2 Incident Report	5/28/2020	FERC writes "On May19, 2020, the Sanford Dam was breached after the failure of Edenville Dam. Also, initial observations noted significant flood erosion damage of Smallwood Dam and some erosion of the downstream slopes of Secord Dam. By June 16, 2020, you are directed to submit to this office an incident report prepared in accordance with section 12.10(a)(2) of the Commission's regulations; the report should include the items listed in Enclosure 1 to this letter." The letter provides 8 specific requests.
	7/1/2020	Boyce to FERC - "In response to your letter dated May 28, 2020, attached please find Boyce Hydro Power, LLC's Part 12.10 Incident Report of the flood event on May 19, 2020. This report is being filed as Critical Energy Infrastructure Information (CEII)." Contents are confidential under Critical Electrical Infrastructure Information. This was due by June 16, 2020 and was filed late by Boyce Hydro.
	8/19/2020	FERC issues letter where the due date of June 16th is mentioned to the report submitted July 1st. FERC requests a supplemental report required by September 15, 2020 addressing 17 items listed in the Incident Report.
	8/24/2020	Boyce requests an extension to the due date of September 15th to October 30, 2020.
	9/2/2020	FERC denies request for extension for most items due on September 15th. FERC reminds Boyce they have had since May 28th to complete the incident report.

3 Secord Dam Safety Report	6/18/2020	FERC conducts a Special Dam Safety Inspection Report No. 2 for Boyce Hydro, LLC, Secord Hydroelectric Project, inspected on 06/10/2020 under P-10809. The actual report is CEII on the FERC site meaning the contents are confidential under Critical Electrical Infrastructure Information.
	7/8/2020	Boyce files Dam Safety Report for Secord Dam under CEII.
	7/21/2020	FERC responds to the Boyce Secord Dam Safety Report. Letter states " The reservoir cannot be returned to normal levels until you receive authorization from FERC and unless all of the outstanding dam safety items are satisfactorily addressed. " FERC requires engineering comments / studies on 21 safety issues along with the following critical action item "The Secord Focused Spillway Inspection Report dated November 30, 2018 referenced a hole in the right (west) concrete retaining wall at the base near the downstream toe of slope." Provides deadline of August 20, 2020 to comply.
		As of September 4, 2020 there is no update on the FERC eLibrary to determine whether Boyce met the August 20th deadline.

4 Secord Dam Spillway Upgrade	8/10/2020	FERC received Boyce April 23, 2020 Preliminary Design Basis Report which describes proposed improvements to increase the spillway capacity at the Secord Project No. 10809. Boyce letter states that the report was prepared by GEI Consultants for the Four Lakes Task Force (FLTF) on behalf of Boyce Hydro Power, LLC. FERC seeks Boyce concurrence with the report and intention to proceed with the proposed spillway improvements. FERC instructs Boyce if they propose to employ GEI as the designer, Boyce must include a statement from GEI saying they agree with this arrangement. Boyce must also provide an updated plan and schedule to complete the design and perform the spillway improvements. Boyce must submit a letter addressing the above comments by August 21, 2020.
		As of September 4, 2020 there is no update on the FERC eLibrary to determine whether Boyce met the August 21st deadline.

5 Secord Retaining Wall Repair	8/17/2020	Boyce submits "preliminary design drawings for the repair of erosion at the right (west) retaining wall for the Secord Dam. This is being submitted to FERC under CEII." Boyce seeks "FERC pre-approval of the design is requested so limited financial resources (being administered by the Bankruptcy court) are not wasted."
	8/18/2020	FERC denies preapproval - "The submittal provides only two drawing sheets outlining proposed repairs to a hole in the right concrete retaining wall near the downstream toe. The repairs were recommended in the Secord Dam Emergency Inspection Report dated June 25, 2020, as a critical action item (Item C-1) by TRC Engineers Michigan Inc." FERC goes on in great detail to explain what their expectations for an engineering plan for this project involves as "only two drawings" do not meet engineering requirements. The letter reminds Boyce of the other items in the Secord Dam Safety Report that need to be addressed.
		As of September 4, 2020 there is no update on the FERC eLibrary to determine whether Boyce provided FERC with the information requested.

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