

ALEXANDER B. GRANNIS
COMMISSIONER

STATE OF NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION ALBANY, NEW YORK 12233-1010

FEB 03 2010

Mr. Glen A. LaFave
Executive Director
Hudson River-Black River Regulating District
737 Bunker Hill Road
Mayfield, New York 12117

Dear Mr. LaFave:

The Department of Environmental Conservation has received the Hudson River-Black River Regulating District's (District) apportionment approved by the District's Board (Board) on January 12, 2010, and certified to DEC on January 13, 2010. Environmental Conservation Law (ECL) §15-2121 provides that the Board shall prepare an apportionment, certified to DEC for its approval, to recover the District's total cost and operation and maintenance expense from the public corporations and parcels of real estate benefitted by the Great Sacandaga Lake (Reservoir) in proportion to the amount of the benefit which will inure to each by reason of such Reservoir.

In reviewing the apportionment, DEC has relied on the expertise of District staff who prepared the apportionment in identification of: (1) the most direct and clearly defined benefit derived by operation of the Reservoir, i.e. flood protection; (2) the beneficiaries which receive the flood protection benefit; and (3) the method to determine the proportion of the flood protection benefit which will inure to each beneficiary. As the State of New York Hudson River — Black River Regulating District Apportionment of Operation and Maintenance Cost is not inconsistent with the provisions of ECL §15-2121 and ECL § 15-2125, I hereby approve said apportionment as required by ECL § 15-2121(4).

Sincerely,

Alexander B. Grannis