

FEDERAL ENERGY REGULATORY COMMISSION  
Washington, D. C. 20426

OFFICE OF ENERGY PROJECTS

Project No. 2785-078--Michigan  
Sanford Project  
Boyce Hydro Power, LLC

AUG 02 2010

Mr. Lee Mueller  
Boyce Hydro Power, LLC  
4132 S. Rainbow Blvd #247  
Las Vegas, Nevada 89103

**CERTIFIED MAIL**

Dear Mr. Mueller

Subject: Failure to timely respond to letter requesting filing of evidence of sufficient control over project works and project operations

Dear Mr. Mueller:

On April 19, 2010, we sent a letter requesting that Boyce Hydro Power, LLC (Boyce) within 12 months, file evidence demonstrating that it had sufficient control over project works and project operations to carry out its responsibilities under the Sanford Project license (FERC No. 2785). The licensee is required to file a report within three months of the date of this letter and every three months thereafter documenting what actions it has taken towards demonstrating that it has acquired this control for the Sanford Project. In addition, the letter requested that you file within 30 days the status of property interests in the three upstream projects – Edenville Project No. 10808, Secord Project No. 10809, and Smallwood Project No. 10810.

On June 18, 2010, Boyce filed a request for extension of time with respect to the Edenville, Secord, and Smallwood projects. According to your letter, the reason for the failure to advise the Commission of the status of Boyce's property interests was due to the tax records in Gladwin County, Michigan not being up-to-date in many respects. On June 30, 2010, we granted your request due to the large number of properties and the lack of digitized property data. In your request for extension of time, you mentioned that you were conducting property deed research and mapping for the tax parcels under and adjoining the Sanford reservoir.

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With respect to the Sanford Project, Boyce did not ask, nor did we grant an extension of time to file a response documenting your efforts to gain control of project lands. Midland County has up-to-date digitized property data readily available that covers the Sanford Project boundary. This data availability should allow Boyce to complete any research on project lands and property interests, and file its first report. However, our records show the date for submitting the first report passed on July 19, 2010. For your reference, I am enclosing a copy of our April 19, 2010 letter requesting you to document your actions towards bringing the Sanford Project into compliance with standard article 5 of the hydropower license.

Your failure to comply with the above requirements for the Sanford Project may subject you to the enforcement and penalty provisions of Section 31(a) of the Federal Power Act, as amended by Section 12 of the Electric Consumers Protection Act of 1986. Under Section 31, the Commission is authorized to assess civil penalties up to a maximum of \$11,000 per day for failure to comply with the Commission's orders. In addition, the Commission may take other enforcement action as necessary. This letter constitutes notice under Section 31(a) of the Federal Power Act.

If you have any questions regarding this letter or the actions and information required from you, please call Steven Sachs at (202) 502-8666 or by e-mail at [Steven.Sachs@ferc.gov](mailto:Steven.Sachs@ferc.gov).

Sincerely,



William Guey-Lee  
Chief, Engineering and Jurisdiction Branch  
Division of Hydropower Administration and  
Compliance