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April 30, 2012

Ms. Kimberly Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

Re: Project No. 2785 (Sanford)

*Status Report on Property Interests  
And Request for Extension of Time*

Dear Ms. Bose:

Pursuant to the Commission's letter of February 14, 2012, regarding the referenced project and subsequent discussions with Commission staff, Boyce Hydropower, LLC ("Boyce"), licensee for the referenced project, hereby submits this status report concerning Boyce's efforts to ensure compliance with standard Article 5 of the license for the Sanford Project No. 2785.

As previously explained,<sup>1</sup> and as further explained in the attached letter, Boyce is vigorously engaged in efforts to ensure compliance with Article 5. Although Boyce is hopeful that a flowage easement will be executed with Midland County in the near future, there are many additional parcels of project land above the reservoir that will have to be obtained and Boyce anticipates having to file condemnation actions to acquire many of these properties. In order to allow time to resolve the flowage easement and additional condemnation proceedings, Boyce requests an extension of time until April 19, 2013, to resolve the Article 5 issues, and proposes to continue filing quarterly reports.<sup>2</sup>

Boyce appreciates the Commission's willingness to work with it to resolve these very difficult and time consuming issues. If you have any questions or concerns, please contact Mr. Lee Mueller at 702-367-7302.

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<sup>1</sup> See, in particular, the status report and request for extension of time filed on January 18, 2011 (Accession No. 20110118-5135).

<sup>2</sup> Due July, October, and January, and March, 19.

Sincerely,

/s/ John Clements

John Clements

Counsel to Boyce Hydro Power LLC

Attachment

cc: Kirk Cover  
Lee Mueller  
Jay Brown

# BOYCE HYDRO POWER LLC

A W.D. Boyce Trusts Legacy Enterprise

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30 April, 2012

Ms. Kimberly Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

Subject: Quarterly Status Report to FERC  
Re: Property Rights Issues For Project:  
P-2785-078 (Sanford)

Secretary Bose:

This letter and progress report are filed by Boyce Hydro Power, LLC ("Boyce") in response to FERC's requirement that quarterly reports be issued on the progress being made to resolve Project Boundary Control issues associated with the above-referenced license.

In a meeting conducted with Charles Cover and Keith Brooks on Wednesday, March 28<sup>th</sup> at the FERC offices in Washington, DC, Boyce representatives presented evidence of further substantial progress in the development of a comprehensive database which identifies all of the property owners who own property adjacent to Sanford Lake and up river from there, all of which is now known to be situated to some extent within the Project Boundary of the Sanford License. Additionally updated maps were submitted to FERC staff which represent the "in-progress" mapping of the ownership parcels that are contained within the Project Boundary.

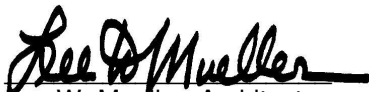
As previously reported, the records collection effort and research has been time consuming due to the fact there are extensive inaccuracies in the property ownership records of two Midland County Township Assessors and the Midland County Treasurer. Midland County officials have declined in the past to make the County's records available to Boyce on a no-charge basis for the purpose of facilitating Boyce's preparation of a definitive database regarding actual property transfers that have taken place during the past sixty or more years. Consequently, Boyce retained additional staff for the purpose of researching and collecting data from the Midland County public records. As of this date, it is believed that all necessary records have been retrieved and copied. The legal descriptions for approximately 1,100 tax parcels have been obtained and are now being scanned into the electronic database being developed by Boyce.

When completed, the property ownership database and resultant mapping of all parcels will confirm the correct ownership of lands and residential structures that are now known, by visual inspection of topographic mapping, to be located within the confines of the Exhibit G Project Boundary for Boyce's Midland County FERC-license hydroelectric project. Once this information is fully developed Boyce will consult with FERC regarding the necessary actions that must be undertaken regarding the encroachments into the Project Boundary.

Given the fact that Midland County now owns a significant amount of this property by virtue of its acquisition through the property tax forfeiture voluntarily undertaken by Boyce in 2010, it is expected that Boyce will first initiate condemnation of these parcels. Once the condemnation proceedings are completed and ownership reverts to Boyce, a systematic program of real estate sales, if approved by FERC, can be undertaken by Boyce wherein interested property owners may purchase ownership of shore-line property that is within the FERC Project Boundary subject to certain FERC-mandated deed restrictions as were discussed in the March 28<sup>th</sup> meeting.

In addition to the progress that has been made regarding the database and mapping, Boyce has recently been engaged in communications with private parties who are attempting to facilitate a flowage rights lease with Midland County. It is anticipated that such an agreement may be consummated within the next two or three months, at which point Boyce will consult further with FERC regarding this specific matter.

Sincerely yours,



Lee W. Mueller, Architect  
Co-Member Manager  
[Boyce Hydro Power, LLC](http://BoyceHydroPower.com)

LWM/wp

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