



It is prudent to determine the long-term cost and benefit of constructing a new auxiliary spillway to meet FERC requirements and maintain hydro-electric power generation. It is critical to consider the most safe and economic path forward. If hydro-electric power is revoked, modifications and improvements to the dam will still be necessary to meet State of Michigan dam safety requirements.

Four Lakes Task Force has been clear that it wants to maintain hydro-electric power only if it is a benefit to the Special Assessment District and to Gladwin and Midland counties. How is this benefit determined? We conduct a cost-benefit analysis that, simply put, weighs the long-term operational costs versus the capital improvement costs.

Four Lakes Operations Company is coordinating with FLTF, Boyce Hydro and FERC to fully vet the methods of maintaining compliance and keeping hydro power. The recent design submittal to FERC for spillway improvements is the first of many steps that will be required. Should FERC concur with the preliminary study submittal, the next step is for FLO to conduct a thorough cost-benefit analysis to weigh the benefit for the SAD to meet FERC requirements.