



Albany Engineering Corporation

June 7, 2016

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: **FERC Project No. 12741-003, Thomson Hydroelectric Project
Preliminary Permit – Progress Report No. 5**

Dear Secretary Bose:

Albany Engineering Corporation (AEC) hereby submits Progress Report No. 5 in accordance with Article 4 of the preliminary permit issued on December 13, 2013 for the Thomson Hydroelectric Project.

General Information

The Thomson Hydroelectric Project is a proposed hydroelectric development on the Hudson River, adjacent to Lock C5 of the Champlain Canal, in the towns of Northumberland in Saratoga County and Greenwich in Washington County. The fully developed project will have a maximum operating capacity of 23,700 kW and be capable of generating approximately 68,971,000 kWh of renewable power on an average annual basis. The New York State Canal Corporation (NYSCC) owns lock C5.

AEC was previously issued a preliminary permit for the Thomson Hydroelectric Project on March 6, 2007, for a term of 36 months, which expired on February 28, 2010. On September 19, 2006, AEC submitted a Notification of Intent to file an application for an original license and a Pre-Application Document for the Thomson Hydroelectric Project. AEC continued to perform under the requirements of the Integrated Licensing Process (ILP), which culminated in the filing of the Preliminary Licensing Proposal on August 13, 2013.

The Thomson Hydroelectric Project is located within the Hudson River PCBs Superfund Site. The PCB remediation activities conducted by General Electric (GE), with oversight from the US Environmental Protection Agency (USEPA), necessarily affected the progress of project development and were entirely beyond AEC's control. On April 14, 2013, the Commission notified AEC that the ILP for the Thomson Hydroelectric Project would be held in abeyance pending completion of PCB remediation activities within the project area.

In October 2015 GE announced it had completed dredging in New York's Upper Hudson River, although environmental cleanup work on and along the Hudson River will continue including restoration of underwater vegetation to areas of the river that were dredged and monitoring environmental conditions in the river for the foreseeable future. In November 2015 USEPA approved GE's multi-step process to dismantle and decontaminate the 110-acre PCB sediment processing facility that was built to support the dredging of the Hudson River PCBs Superfund Site, which will continue during 2016.

As previously reported, AEC is also aware of other remediation issues that have been raised by interested environmental parties and NYSCC. The matter of additional remediation to be conducted specifically within the Champlain Canal, including Lock C5, is currently in litigation. AEC is attempting to determine the status of this litigation, the outcome of which may directly affect remediation of areas adjacent to the Thomson project area.

Studies

As detailed in the application for preliminary permit, all studies and related work necessary to determine the feasibility of the proposed project and support an application for license have been completed.

Compliance with Requirements of 18 CFR 4.38 and 5.1-5.31

AEC commenced activities in accordance with the pre-filing consultation requirements of 18 CFR sections 4.38 and 5.1-5.31 for FERC Project No. 12741, and has obtained all available data pertinent to the completion of a license application.

At this time, AEC anticipates consultation with Commission staff to discuss the efficacy of reactivating the ILP for the Thomson Hydroelectric Project prior to the termination on the preliminary permit on November 30, 2016.

Sincerely,

/s/ Wendy Jo Carey

Wendy Jo Carey, P.E.
Ext 401
wendy@albanyengineering.com