

COMMENT
By The
HIGH ROCK LAKE ASSOCIATION

Submitted To
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Docket #P2197-056

Applicant: Alcoa Power Generating Company, Inc.

Name of Project: Yadkin

Comment Date: September 24, 2002

The High Rock Lake Association (HRLA) is submitting this Comment to the Federal Energy Regulatory Commission (FERC) pursuant to FERC Notice dated September 6, 2002. The High Rock Lake Association has represented the users of High Rock Lake for over 40 years.

HRLA is requesting FERC deny the request made by Alcoa Power Generating Inc. (APGI), in which APGI asks FERC's approval to deviate from its License requirements... Further, we ask FERC issue an order requiring APGI to return to the conditions of its license after September 15, 2002. We read the license to require no more than 150 cfs average discharge after September 15 in order to satisfy its downstream obligation to Carolina Power and Light. HRLA strongly opposes any variance that would compromise the license requirement of refilling High Rock Reservoir to within five feet of full by May 15, 2003.

The current request before FERC stems from what is termed a "Collaborative efforts between APGI, Carolina Power and Light (CP&L), North Carolina Department of Environmental and Natural Resources (NCDENR), South Carolina Department of Natural Resources (SCDNR), and South Carolina Department of Health and Environmental Control (SCDHEC). We wish to point out that APGI had no right to enter into an agreement that was clearly in violation of the terms of its License. APGI is apparently relying upon that old adage – ***"It is easier to ask forgiveness than to ask for permission"***

We believe the so-called "Protocol" said to have been developed in the August 29, 2002 meeting between APGI, CP&L, NCDENR, SCDNR & SCDHEC was the result of intense lobbying by prominent South Carolina politicians and a large scale public relations effort by South Carolina interests designed to increase available water supplies to South Carolina industries. We believe that APGI, already facing immense public anger for their mismanagement of High Rock Lake this summer, welcomed the meeting as a means for transferring blame for the low water levels to the public agencies.

The South Carolina public relations campaign has been cleverly disguised to make it appear the public drinking water supplies are in danger. After reading the pleading of the Pee Dee River Coalition, it appears the real problem is the discharge of toxic waste into the Great Pee Dee by large industry, and South Carolina is attempting to get sufficient quantities of water from North Carolina to dilute the toxic wastewaters to what it considers an acceptable level of pollution.

Conversely, as to the "Public Drinking Water Supplies" for the highly populated area of the Grand Strand (Myrtle Beach) and the picture of "Salt Water Intrusion"; we think South Carolina is not telling all. It appears to us that the Grand Strand water supplies are part of the river system downstream of the confluences of the Little Pee Dee (Lumber River) and the Waccamaw River with the Great Pee Dee. On Tuesday, September 24, 2002 at 2:00 pm USGS flow measuring stations were recording the following:

Great Pee Dee at Pee Dee, South Carolina	1,270 cfs
Little Pee Dee at Gallivants Ferry, South Carolina	263 cfs
<u>Waccamaw River at Conway Marina</u>	<u>1,770 cfs</u>
Combined Flow Available to Myrtle Beach and available flow to offset "Salt Water Intrusion"	3,303 cfs

Clearly, the public drinking water supply is not threatened in South Carolina!

If the public drinking water supply is not threatened, then South Carolina must be working on behalf of its industrial polluters. Apparently, SCDNR & SCDHEC have permitted levels of polluted wastewater discharge from large industry and/or municipal sources that rely upon large quantities of clean water to dilute the waste. In fact, SCDHEC's own letter to FERC dated July 1, 2002 emphasizes South Carolina's problem with low flow in the Upper Pee Dee River is the limiting effect the river flow has **on waste water discharges**. The decisions of SCDNR & SCDHEC, probably made under political pressure to attract industry, are not a valid basis for draining North Carolina lakes and rivers. SCDNR & SCDHEC should re-visit the wastewater discharge permits and consider cleaning up their discharges.

FERC should also consider that large companies such as Weyerhaeuser (who furnished an affidavit for the Pee Dee River Coalition complaint) made a calculated gamble when designing their wastewater facilities in South Carolina. If they gambled on high river flows to build less expensive treatment facilities, then they have no right to expect North Carolina to bail them out when natural reductions in river flow occur.

FERC should also be aware the collaborative parties that developed the subject protocol have repeatedly rejected requests from interested and affected parties such as HRLA and others to be included in meetings such as the August 29 meeting of APGI, CP&L, NCDENR, and SCDNR & SCDHEC. The public is a stakeholder in operation of the lake, and FERC should consider exclusion of stakeholders when considering the validity of any recommendations for lake operation made to it.

We believe FERC must conduct its own detailed investigation of South Carolina claims when considering a request to alter a license requirement that has been in place for over 34 years. As a Federal Agency, you hold a high level of public trust, and you should not make decisions based upon statements offered by persons with special interests. We also believe that when Licensee requests have a direct consequence to the public waterways and lakes, then FERC should conduct public hearings in the affected locality before considering any amendment to a long standing Order.

As documented by an extremely high number of comments, protests, and motions to FERC during the past three months, APGI deliberately deviated from the intent of its license requirements during the period May 15, 2002

thru September 15, 2002. ***It is the view of HRLA and the public in general that FERC condoned APGI's violations of its operating license; for we have seen no evidence of any sanctions, penalties, or reprimands from FERC.***

APGI often quotes Part III of the Operating Guides (the Rule Curve) when explaining why they are releasing water from High Rock Lake. Part III does not set forth a requirement for a minimum discharge. The conditions imposed by Part III, 8 A, B, & C are limitations on flow. The original intent of the Guidelines adopted by FERC in 1968 was to keep the lake at the level shown by Line 7 of Figure 2.1 (referenced by Part III) during the period May 15 through September 15 of each year. We refer to a public announcement made by Yadkin, Inc. on January 18, 1968, wherein Yadkin (Alcoa) stated "***it would sacrifice power needed to operate the Alcoa smelter at Badin in order to provide improved recreational facilities on its Yadkin River reservoirs***". The announcement went on to say the new operating procedure is intended to limit drawdown to five feet or less 96% of the time during the recreational season, and in years of severe drought the drawdown would not exceed eight feet. We believe the Federal Power Commission fully understood this intent in 1968, when it issued the order making Yadkin, Inc.'s recommended Operating Guidelines a part of Yadkin's license.

FERC should direct APGI to stop its current practice of using the Guidelines as justification for "Providing a discharge"; and should require APGI to comply with the original intent of managing the lake so as to provide water levels indicated by Line 7. The Operating Guidelines provide MAXIMUM rates of flow or power generation under varying conditions, however, we believe it is a serious misrepresentation to attempt to interpret the language of the guidelines as requiring any specific minimum rate of discharge from High Rock Lake, or the Project as a whole.

In previous comments to FERC, HRLA has stated that we believe reduction in project discharge to 900 cfs was an insufficient reduction. It appears the figure of 900 cfs was a compromise figure accepted by "the collaborators" under heavy influence by South Carolina representatives who claimed their major industries faced hardships unless 900 cfs was released by the Project reservoirs. We believe discharge from the Yadkin Project 2197, and particularly High Rock Reservoir and Dam, must be balanced with inflows at any time APGI finds it is having difficulty meeting lake levels prescribed by the Operating Guidelines, specifically Part III, Paragraph 8. FERC should also examine all inflows into the Great Pee Dee in South Carolina, not just the flow as measured at Rockingham, NC; to understand the total volume of fresh water available to South Carolina.

REQUEST TO FERC

The High Rock Lake Association expects FERC to abstain from any modification to APGI's license that would undermine the intent of the Operating Guidelines to provide water levels in High Rock Lake at or above Elevation 650 (Yadkin datum) between May 15 and September 15. Further, we would hope this review would afford FERC the opportunity to address APGI's deviation this summer from lake levels mandated by the Operating Guides in its licence and take steps to insure the recovery of proper lake levels in High Rock Lake. HRLA again respectfully asks FERC to order impoundment of all water entering High Rock Lake that is in excess of APGI's obligation of

flowing 150 cfs downstream of its project until the lake is returned to at least the 13 year average elevation denoted in Part III , Figure 2-3 of the Operating Guidelines.

The restoration of High Rock Lake is vital to preserve the jobs and economics of those dependent on this lake, the well being of the fish and wildlife around the lake, preservation of all other environmental and cultural issues so carefully explained in Alcoa's Shoreline Management Plan, and all other benefits associated with a well managed lake that North Carolina citizens have a right to expect.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I certify that I have this 30th day of September, 2002, served this Comment via U.S. Mail upon all persons on the service list maintained by the Federal Energy Regulatory Commission for Project No 2197.

Respectfully submitted,

Larry O. Jones