AMERICAN RIVERS AND COASTAL CONSERVATION LEAGUE

February 26, 2007

Magalie R. Salas
Secretary
Federal Energy Regulatory Commission
888 First St. NE
Washington, D.C. 20426

RE: Notice of Intent to Prepare an EIS and Soliciting Scoping Comments for the Yadkin-Pee Dee Hydroelectric Projects Nos. P-2197-073 and P-2206-030

Dear Secretary Salas:

American Rivers and the Coastal Conservation League (Conservation Groups) hereby submit comments in response to the “Notice of Intent to Prepare an Environmental Impact Statement and Notice of Scoping Meetings and Site Visits and Soliciting Scoping Comments” (Dec. 21, 2006). The Conservation Groups offer the following comments in regards to the site-specific and cumulative environmental impacts of these projects as well as a reasonable range of alternatives to the proposed actions.

The Conservation Groups are interveners in both proceedings. We are signatories to the Progress Energy Agreement In Principle and are working to finalize a settlement agreement by April 2007. We also signed the Alcoa Power Generating, Inc. Agreement In Principle and plan to sign the Relicensing Settlement Agreement issued last week. We offer the following comments to assure that the Commission’s environmental review for both proceedings fully complies with the National Environmental Policy Act.

Please contact us if you have any questions,

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American Rivers and CCL’s Scoping Comments
APGI, Yadkin Project (Project No. 2907-073-NC)
Progress Energy, Yadkin Pee-Dee Project (Project No. 2206-030-NC)
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Introduction

The Conservation League and American Rivers have entered a cooperative agreement to participate in hydroelectric and river conservation activities affecting South Carolina, North Carolina and Georgia. The Conservation League is a non-profit conservation organization with offices in Charleston, Georgetown, Beaufort and Columbia, South Carolina. Our mission is to protect South Carolina’s threatened resources - its natural landscapes, abundant wildlife, clean water, and traditional communities. We have approximately 5,000 members, many of whom live in the Pee Dee River basin which is affected by project operations.

American Rivers is a non-profit conservation organization with offices in Washington, D.C., Columbia, South Carolina, and throughout the nation. We are dedicated to the protection and restoration of the nation’s streams. With over 65,000 supporters across the country, including those that live in the project vicinity, American Rivers is one of the nation’s leading river conservation groups.

The Conservation Groups have been actively involved in the relicensing of both projects. We are interveners in both proceedings. See e-Library no. 20060929-5010 (Sept. 29, 2006); e-Library no. 20060929-5011 (Sept. 29, 2006). We have worked closely with both Alcoa Power Generating, Inc. (APGI) and Progress Energy (also known as Carolina Power and Light) in developing the settlement agreements which are intended to become the bases for the new licenses. The Conservation Groups support both settlement agreements and believe that they will satisfy the following resource objectives:

- Improvement to the stream flow regimen necessary for natural flow values and ecological processes essential to river health, including riparian, wetland and floodplain functions;
• Protection and restoration of fish and wildlife habitat and mitigation for project-related habitat losses;

• Establishment of low-flow operation alternatives that are based on recreational, aquatic ecosystem, as well as water supply requirements,

• Reintroduction of diadromous fish above the Project dams – upstream and downstream passage throughout the Project area;

• Protection and enhancement of water quality standards including existing and classified uses;

• Protection and enhancement of rare, threatened and endangered plant and animal species;

• Prudent management of High Rock, Tuckertown, Narrows, Falls, Tillery and Blewett Falls reservoirs for fish and wildlife;

• Restoration and enhancement of recreational opportunities, including those in the unimpounded segments of the Yadkin and Pee Dee rivers, and the project reservoirs; and

• Improved coordination between APGI and Progress Energy for downstream and basinwide ecological, recreational and water supply needs.

The Yadkin Hydroelectric Project (FERC No. 2197) is a complex project consisting of four mainstem dams located on the Yadkin River. Project facilities inundate 38 miles of the Yadkin River and parts of numerous tributary streams. The Project’s operation affects the Yadkin-Pee Dee Hydroelectric Project (FERC No. 2206) and the Pee Dee River, both of which lie downstream of the Project. It also affects the Yadkin River and its tributaries upstream of the project boundary by isolating this aquatic ecosystem from the Pee Dee River, estuarine habitats and the Atlantic Ocean. Such a complex project requires a corresponding comprehensive study plan to fully assess its significant impacts on the aquatic ecosystem.

The Yadkin-Pee Dee River Project consists of two mainstem dams located on the Pee Dee River. The dam of the lower development, Blewett Falls, is located at approximately river mile 188 and impounds 11 miles of the Pee Dee River. Approximately 17 miles of unimpounded river lie between the Blewett Falls headwaters and the second development. The Tillery Development is approximately located at river mile 218 and impounds 15 miles of the Pee Dee and Yadkin rivers. Numerous streams tributary to the Yadkin and Pee Dee rivers, including the Little, Rocky, and Uwharrie
rivers, are also affected and impounded in part by project dams. Project operation affect approximately 190 miles of the Pee Dee River downstream of the Blewett Falls Dam.

The Conservation Groups attended the Agency Scoping Meeting held on January 24, 2007 at the Stanley County Agricultural Center in Albemarle, North Carolina. At that meeting we outlined our interests in a full record and thorough NEPA process. Our detailed written comments follow.

NEPA SCOPING COMMENTS

Additional Information Request

On June 26, 2006 Conservation Groups filed a request for additional information regarding water quality data and peaking mode mitigation analyses, which is necessary for the Commission and other stakeholders to evaluate a full range of action alternatives. See e-Library no. 20060626-5077 (June 26, 2006). By letter dated September 14, 2006, FERC affirmed the need for more information and requested Progress Energy provide the following final information from the IFIM study: (1) primary target species and life stages for each of the study reaches (2) Weighted Usable Area (WUA) versus discharge tables and the habitat duration results for Progress Energy’s minimum flows; and (3) alternative minimum flows recommended by the resource agencies. See e-Library no. 20061228-3031 (Dec. 28, 2006). While Progress Energy provided some of the requested information, it did not file the WUA habitat duration analysis for the proposed flow schedule with the Commission. Progress Energy should be required to provide this information in time for evaluation in the Environmental Impact Statement (EIS).

In the same June 26, 2006 letter, Conservation Groups also requested an analysis of measures necessary to mitigate peaking and load-following effects of the Yadkin-Pee Dee Project on the 17-mile reach of the Pee Dee River below Tillery dam. Progress Energy has not provided this information to date. These operations have significant impact on the human environment, are existing baseline conditions that are proposed to carry on throughout the next license term, and must be considered in the EIS. This analysis is necessary to determine how the applicant can mitigate for this ongoing impact. The Commission should consider operating the project in a non-peaking/load following mode as an action alternative in the EIS.

4.1.2.1 Yadkin Project (APGI)-Reservoir Levels

The EIS should examine how different reservoir fluctuations impact recreation on project lakes.
4.1.2.1 Yadkin Project (APGI)-Minimum Flows

Due to the interdependent nature of flow releases at the two projects, it is important that minimum flows from the Yadkin project be considered in conjunction with minimum flow requirements at the Yadkin Pee Dee project. A full suite of flows should be analyzed to identify all reasonable alternatives to the proposed action.

The minimum flows listed for the Falls development are incorrectly listed as weekly averages. They are intended to be computed on a daily basis.

4.1.2.1 Yadkin Project (APGI)-Fish, Wildlife, and Botanical Resources

The four project dams impede passage of diadromous fish now and once passage is achieved at downstream dams. Blockage of migratory pathways for diadromous fish is a significant impact of project operations. There are over 100 miles of spawning habitat above the uppermost project dam. The EIS should fully evaluate project impacts to diadromous fish and endangered species above and below all 6 dams.

4.1.2.2 Yadkin Pee-Dee Project (Progress Energy)- Reservoir Levels

Lake level fluctuations at Blewett Falls development should be analyzed in the context of Blewett Falls as a re-regulating project. The ability to fluctuate reservoir water levels allows operators to account for downstream recreation, instream flow, ESA and water supply protection.

4.1.2.2 Yadkin Pee-Dee Project (Progress Energy)- Minimum Flows

In conducting a comprehensive analysis of the proposed action and any reasonable alternatives, a full suite of flow scenarios should be evaluated to determine what flow schedule best protects water quality, aquatic health, and recreation. The EIS evaluation should not be limited to current operations and the proposed settlement flows. Minimum flows coming from the Blewett Falls development are the predominant source of stream flow for the Pee Dee River for 190 miles, when it reaches the Atlantic Ocean.

4.1.2.2 Yadkin Pee-Dee Project (Progress Energy)- Fish and Aquatic Resources

The Blewett Falls project is the first impediment to passage on the Pee Dee River. The Pee Dee has a diverse and unique assemblage of diadromous fish species. Project operations have had significant impacts to diadromous fish and must be evaluated on a project by project basis as well as in a cumulative manner, considering all six dams.
Resolution of fish passage issues is not contained in the Agreement In Principle or license application. The EIS should evaluate the site specific and cumulative environmental impacts of the various fish passage implementation possibilities, including but not limited to: (1) timing (2) design (3) implementation and 4) use of unproven technology to mitigate for project impacts.

4.1.2.2 Yadkin Pee-Dee Project (Progress Energy)- Recreation

The EIS should evaluate the proposed flow schedules’ impacts on all types of water-based recreation and make a determination about the suitability of the proposed flows for all recreation types.

4.3 No Action

The Conservation Groups find the issuance of a new license the terms and conditions of the expiring license would be unacceptable in light of the significant project impacts.

5.1 Cumulative Effects

The cumulative effects of both projects should be considered fully. Project impacts extend from above the first of APGI’s dams, through the developments and from Blewett Falls Dam to the Atlantic Ocean. In considering water quality and quantity, geology and soils, and aquatic resources, specific attention should be paid to the Pee Dee river floodplain and Winyah Bay estuary.

5.1.1 Geographic Scope

The appropriate geographic scope extends the full length of the Yadkin-Pee Dee River and its tributaries, from above the APGI developments to the Atlantic Ocean.

5.2 Temporal Scope

The EIS should evaluate site specific and cumulative project effects for a license term of 30-50 years.

5.2.3 Aquatic Resources
The EIS should evaluate fully all available methods for restoration of diadromous fishes in the basin and not be limited to the no action and applicant proposed actions. Reasonable alternatives, including implementation schedules, facility design, and anticipated effectiveness of the preferred alternative should be explicit.

The EIS should evaluate a full suite of flow alternatives to determine project impacts to the South Carolina portion of the river.

5.2.5 Threatened and Endangered Species

The federally listed endangered shortnose sturgeon (*Acipenser brevirostrum*) is located below the Blewett Falls project and utilizes the entire 190 miles of river below the projects for all lifestages - spawning, rearing, juvenile and adult. The EIS needs to fully evaluate project impacts to shortnose sturgeon and identify reasonable protection, enhancement and mitigation measures.

Conclusion

The Conservation Groups appreciate the opportunity to comment in the NEPA Scoping process for FERC Project Nos. P-2197 and P-2206. If you have any questions about our filing, please contact us.

Respectfully Submitted,

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DECLARATION OF SERVICE

APGI and Progress Energy

PROJECTS (P-2206) (P-2197)

I, Patrick Moore, declare that I today served the attached “American Rivers and Coastal Conservation league’s Scoping Comments for the Yadkin-Pee Dee Hydroelectric Projects Nos. P-2197-073 and P-2206-030 by first-class mail to each person on the official service list compiled by the Secretary in this proceeding.

Dated: February 26, 2007

By:
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