

P-2197-073

**FEDERAL ENERGY REGULATORY COMMISSION**  
WASHINGTON, DC 20426

July 3, 2008

**OFFICE OF THE CHAIRMAN**

The Honorable Beverly Eaves Perdue  
Lieutenant Governor of North Carolina  
Office of the Lieutenant Governor  
310 North Blount Street  
20401 Mail Service Center  
Raleigh, NC 27699-0401

Dear Lieutenant Governor Perdue:

I am writing in response to your June 3, 2008 letter regarding Alcoa Power Generating Inc.'s (Alcoa Generating) Yadkin Hydroelectric Project (Federal Energy Regulatory Commission [Commission] No. P-2197-073), and the matter of delaying issuance of a new license for the project.

To date, this project has been the subject of extensive environmental review as required by the National Environmental Policy Act and the Commission's own regulations. Commission staff has received and reviewed numerous comments during the relicensing process and on the environmental impact statement (EIS) prepared for the Yadkin Project.

Staff's environmental review process included issuance of a public notice and scoping document for the project on December 21, 2006, public scoping meetings in Lexington, Albemarle, and Wadesboro, North Carolina, and issuance of a second scoping document based on oral and written comments on the original scoping document on March 13, 2007. Also on March 13, 2007, staff issued notice that the project was ready for environmental analysis and solicited comments, recommendations, terms and conditions, and prescriptions.

On September 28, 2007, staff issued its draft EIS for the project. Public meetings on the draft EIS were held in Salisbury and Hamlet, North Carolina on November 14 and 15, 2007.

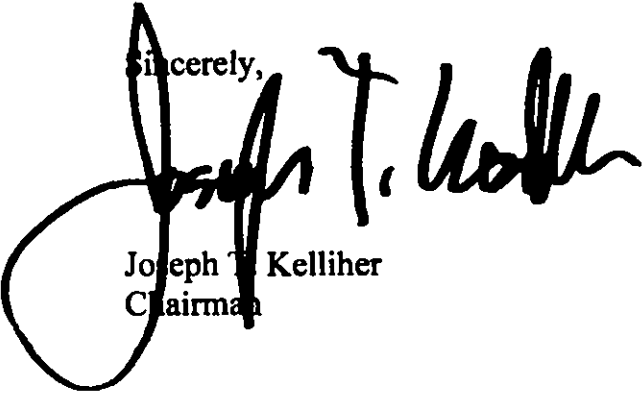
The final EIS was issued by staff on April 18, 2008. This document was based on the review of the relicensing application; scoping record; the settlement agreement among Alcoa Generating and 25 parties representing federal and state resource agencies, Indian tribes, local government, and non-governmental organizations; and public

2008-00137

comments received during the process. The final EIS presented staff's independent analysis of the effects of the proposed project and reasonable alternatives on developmental and non-developmental resources including fish and wildlife, recreation, and socioeconomics.

No decision has been made concerning the scheduling of this project for Commission action. If I can be of further assistance in this or any other Commission matter, please let me know.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Joseph T. Kelliher". The signature is written over the printed name and title.

Joseph T. Kelliher  
Chairman