

# **The North Carolina Legislature has again rejected the idea of a State Take-Over of the Yadkin Hydroelectric Project.**

July 10, 2010

Efforts by a few special interests to create The Yadkin Trust, a State agency proposed and designed to acquire the Yadkin Project, were soundly defeated by the 2009-2010 General Assembly.

Activities at the Legislature this week were cause to believe something sinister was going on! Last August Senator Hartsell had attached an amendment to HB1099 which would set up a State Agency to be known as the Yadkin River Trust to acquire ALCOA's the Yadkin hydroelectric dams. However, when it became evident that that bill would probably not be considered in this session, he took another approach.

On July 1, a different amendment was attached to the economic incentive bill, HB 1973, again, to set up at the State's expense a Yadkin Trust with a three man Board and the independent power of a Government for the counties of Stanly, Rowan, Montgomery and Davidson. They could construct their own by-laws and from our view do as they wish - all without the approval of the County governments. A horrible bill - a scam.

When the bill came before the Senate on July 6, Rep Hartsell withdrew the above amendment, apparently having decided the Yadkin River Trust was an issue the House of Representatives wanted nothing to do with. After all, the House had decisively killed a similar bill last August. Instead, Hartsell attached a new part to HB 1973 setting up a Uwharrie Commission to promote and monitor the development, water distribution and the environment in Stanly, Rowan, Montgomery, Davidson, Davie and Randolph counties. The Commission would have a ten man Board and would have administrative duties handled by the NC Secretary of Commerce, Hartsell's cousin. Administrative expenses would be paid by the State.

HB1973, as amended, passed the Senate unanimously. We wonder if any of the Senators read this amendment before they voted. The bill was forwarded to the House for concurrence. The House rejected the amendment.

After the Senate adjourned at 6 PM on July 6, Hartsell presented the UNV - TV abstract on ALCOA to his committee and the public. Like the actual show, it was very biased. The main interviewee was a lawyer from Salisbury who makes a living filing personal injury law suits. Great advertisement for business. There were lots of insinuations but few facts. There were few comparisons of the practices of most industries of the time; after all, it has only been in the last years that society understood the contamination effects. The reporter did not report any comments from NC DENR, who has tested the waters and said that most all of the pollution comes from upstream and that the waters of Baden Lake were safe for swimming and boating. There were many incorrect statements made by the narrator of this show. It is no wonder that the management of UNC-TV posted a disclaimer before the showing this footage on air.

On Thursday, July 8, Senator Hartsell made another of his signature moves. He introduced a Senate Committee Substitute for HB972. HB972 was sponsored last year by Representative Tarleton of Watauga County, to allow the Town of Boone to construct a needed water intake on the South Fork of the New River. The Senate trashed Rep. Tarleton's bill, and substituted language called **Uwharrie Regional Resources Commission**. This bill was passed and sent to the House.

HB 1099 was totally changed by a joint committee, and all traces of the Yadkin River Trust proposal were removed, and the Bill became a short one page bill with no reference whatsoever to the Yadkin Project.

The House initially rejected HB972 Friday afternoon, but later in the night a joint House-Senate committee comprised of Bingham, Hartsell, Atwater, Burr, Wainright, and Tarleton agreed to take out language that would have allowed the Commission to monitor federal activities, and deleted provisions related to enforcement of environmental laws or contribution to environmental cleanup costs. HB972, as amended, passed late Friday night, July 9, 2010.

To read the entire Bill, [CLICK HERE](#)

The Bill that creates the Uwharrie Regional Resources Commission purports it is the purpose of this Bill to encourage quality growth and development while preserving the natural resources of the Uwharrie region of North Carolina. Uwharrie region of North Carolina. - The area encompassed by the counties of Davidson, Davie, Montgomery, Rowan, Randolph, and Stanly.

The Uwharrie Regional Resources Commission shall have all of the following powers and duties:

1. To develop rules and procedures for the conduct of its business or as may be necessary to perform its duties and carry out its objectives, including, but not limited to, calling meetings and establishing voting procedures. Rules and procedures developed pursuant to this subsection shall be effective upon an affirmative vote by a majority of the Commission members.
2. To pursue efforts directed at the equitable distribution of water for public purposes.
3. To establish standing and ad hoc committees. The Commission shall determine the purpose of each standing or ad hoc committee.
4. To seek, apply for, accept, and expend gifts, grants, donations, services, and other aid from public or private sources. The Commission may accept or expend funds only after an affirmative vote by a majority of the members of the Commission.
5. To exercise the powers of a body corporate, including the power to sue and be sued, own or lease property, and adopt and use a common seal and alter the same.
6. To enter into contracts and execute all instruments necessary or appropriate to achieve the purposes of the Commission.
7. To designate a fiscal agent.
8. To perform any lawful acts necessary or appropriate to achieve the purposes of the Commission.

So, it appears we will have another State body with oversight responsibilities in the region which includes the Yadkin Project. It is far too early to forecast the impact this will have on High Rock Lake directly, or on the process of the Federal Relicensing of The Yadkin Project. It is important to be aware the idea for this Commission came from the promoters of a State take-over of the Yadkin Project, so it is reasonable to assume they expect to use the Commission in their efforts of opposing a new license being issued to Alcoa.

It is important to note the NC Legislature has twice voted down legislation which would have created The Yadkin River Trust, first last August, and again this week. The Legislature clearly did not have the appetite for acquiring the Yadkin Project. We believe the majority of our Representatives understood the proposal for the State of North Carolina to acquire the Yadkin Hydroelectric Project made no sense whatsoever for North Carolina citizens.

We will have to remain vigilant at any continuing efforts to deny the Relicensing Settlement Agreement. Continued delays in issuance of a new Federal License with provisions of the Relicensing Settlement Agreement are hurting all HRLA members. Please use any opportunity you have to express your support for the Relicensing Settlement Agreement.