

April 8, 2003

Mr. Gene Ellis
APGI – Yadkin
293 NC 740 Highway
PO Box 576
Badin, NC 28009

**Subject: Yadkin Hydroelectric Project
Shoreline Management Issues**

Dear Mr. Ellis;

In our letter to Alcoa dated January 9, 2003 we enclosed a seven page document addressing issues we believe should be addressed early in the Relicensing process. On page 4 of our ICD comments we specifically talked about Shoreline Management Issues. An excerpt follows:

The categories currently identified as IAG Issues seem to be addressing only those issues presently covered in excruciating detail by Alcoa's Shoreline Management Plan (SMP). This indicates the present SMP will terminate with the present License, and be replaced by a new SMP. Any new SMP must be responsive to the needs and desires of users and property owners around the lakes, and must certainly be more "user friendly" on the issues that were hotly debated in the Nineties when Alcoa decided to implement a SMP. These issues include the current highly restrictive Alcoa regulations for:

- Piers
- Boathouses
- Boat Ramps
- Removal of Stumps and dead trees
- Shoreline stabilization and retaining walls

Alcoa should adopt guidelines that are in keeping with other lakes in North Carolina, such as those owned and managed by Duke Power Company and CP&L. Any shoreline management plan that is a part of the 2008 License should be no more restrictive than similar projects. Any restrictions should be limited to issues that have a demonstrated direct impact on Alcoa's hydro power production. Policy on issues affecting privately owned land surrounding the Project Lakes should be left to the many local, state, and federal agencies charged with administering laws and regulations on land use, watershed protection, environmental and cultural issues; and Alcoa should not try to incorporate or assume responsibility for those issues under terms of its FERC License.

During the first IAG meeting devoted to Recreation, Aesthetics, and Shoreline Management held on March 13, 2003 we were very surprised when Alcoa's moderator told everyone there were no issues identified during the ICD comment period relating to Shoreline Management or the SMP. The moderator went on to say specifically that Alcoa did not consider HRLA's comments to ask for any study or issue review related to the SMP. She also said we should submit any such study issue in writing to Alcoa. Our specific SMP issue studies would include:

1. SMP should allow Boat Shelters with lifts
2. SMP should allow private boat ramps if property size permits, and sufficient water depth is available.
3. Allow Total Pier Length to achieve "End of Pier Water Depth" (EPWD) of 6' at target low water level
4. Pier construction should be per County Building Code; not "Alcoa Standards"
5. Allow seawalls with adjoining landscaping that is environmentally sound
6. Allow shoreline clean-up of debris and deadwood
7. Prohibit NCWRC practice of cutting down trees on shoreline. This also encourages "copy-cat" actions by others, and accelerates bank erosion.
8. Require water willow propagation and management equally on all lakes
9. Alcoa's SMP should not be more restrictive to lakefront property owners than those of other comparable Electrical Producers in North Carolina. Alcoa's new SMP should closely relate to those of Duke Power and Progress Energy.
10. A SMP should not attempt to control actions on private land by requiring compliance with Alcoa regulations on those private lands, lands that are outside project boundaries, as a condition of gaining access to the waters of the river and lakes within the FERC licensed Project. The current SMP effectively circumvents

the intent of Article 7 of the License issued by the Federal Power Commission on February 11, 1958.

The High Rock Lake Association believes the comments in our Jan. 9, 2003 submission were a perfectly clear statement of our recommendation that the relicensing process include a study of SMP issues and the formulation of a new SMP that treats all interests fairly. The High Rock Lake Association also believes an attempt to ignore properly submitted comments, as well as many verbal comments we heard during the public meetings that were advertised as means to identify issues of concern by interested parties, would be an abuse of the relicensing process.

We hope Alcoa will review of this issue; and Shoreline Management Practices and Issues will be placed on the agenda for the attention that is demanded.

Sincerely,

High Rock Lake Association

Larry O. Jones
President