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BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Project Number  
NANTAHALA RELICENSING HYDROELECTRIC : 2692-032  
PROJECT :

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Southwestern Community College  
60 Almond School Road  
Bryson City, North Carolina

Tuesday, December 7, 2004

The above-entitled matter came on for scoping  
meeting, pursuant to notice at 2:15 p.m.

BEFORE: CAROLYN R. HOLSOPPLE - Federal Energy Regulatory  
Commission - Environmental Protection Specialist

## 1 P R O C E E D I N G

2 MS. HOLSOPPLE: Welcome to the afternoon scoping  
3 meeting for the Nantahala Project, P-2692. I am Carolyn  
4 Holsopple and I'm the coordinator for these projects from  
5 the Federal Energy Regulatory Commission.

6 I just want to lay out a couple of guidelines as  
7 to how the meetings are going to run today and to just let  
8 you know what's going on.

9 Our court reporter is here and we will be  
10 recording everything that is said today in the meetings.  
11 There is a microphone up on this podium. So when we get to  
12 the comment period, we are going to have people come up.  
13 The podium will be turned so you can talk to us up there.

14 But if you have papers, don't put them over the  
15 top of the microphone, because your comments might not get  
16 picked up accurately.

17 Just before you speak, please say your name and  
18 who you represent, so that the court reporter can make sure  
19 that everybody is identified correctly.

20 I'm going to give a brief presentation on who  
21 FERC is and what we do. I see a lot of Agency and NGO  
22 representatives here, but I also think there might be a few  
23 people from the public that might need a briefing on what  
24 exactly this process is.

25 After that, I'll go through a little bit of the

1       scoping process, how we got to where we are today, and then  
2       what is left in the next couple of months for us to do to  
3       get this project relicensed. And then John Wishon from Duke  
4       Power will be giving a presentation of the Nantahala project  
5       in terms of operation and anything that they might be  
6       proposing.

7                 And then it will become a period for any of you  
8       who wish to make a statement for the record, ask some  
9       questions, ask questions of FERC in terms of process,  
10      anything that we can help you with that you might have some  
11      uncertainties about.

12                So the Federal Energy Regulatory Commission. Who  
13      are we? We are an independent regulatory agency made up of  
14      a five-member Commission. The Commission members are  
15      appointed by the President with a confirmation of the  
16      Senate.

17                And just to avoid any sort of bias, no more than  
18      three members of the Commission can represent the political  
19      party that is in administration at that time.

20                Right now, we only have four members. There is  
21      one vacancy that has yet to be filled. You can see going  
22      from the left to the right, we have Commissioner Joe  
23      Kelliher, Commissioner Sudine Kelly, Chairman Pat Wood, and  
24      Commissioner Nora Brownell.

25                FERC has its headquarters in Washington, D.C.,

1 and then we also have five regional offices: San Francisco,  
2 Portland, Chicago, Atlanta, and New York. These offices  
3 mostly house our Engineers with our Dam Safety and  
4 Inspections Group. They are located in a more central area  
5 to the projects that they go to and inspect for maintenance  
6 safety.

7 We do have a couple people that do relicensing  
8 and other gas items located in those offices, but it's  
9 mostly for personal reasons that we try to help them out.  
10 But most of us are located in headquarters in Washington,  
11 D.C.

12 FERC regulates a number of industries. We do  
13 natural gas pipelines. We have various people that regulate  
14 the electric power and the market. We have oil pipeline  
15 regulations within FERC, and then we also have the  
16 hydroelectric project industry, which is what we are here  
17 for today.

18 With this, we license non-federal hydroelectric  
19 projects across the country. We don't have anything to do  
20 with Hoover Dam or Bonneville, or Tennessee Valley  
21 Authority. We just do the non-federal dams.

22 We oversee the environmental matters and then we  
23 also have various divisions in FERC that oversee compliance  
24 and monitoring of projects that are currently under a  
25 license.

1                   And as I said before, the Dam Safety Office is  
2 located throughout the country. They also inspect the non-  
3 federal projects for safety.

4                   Where are our projects located? This map just  
5 shows you a quick overview of where the majority of our  
6 projects are. You can see California has quite a bit, the  
7 northeast has a lot and we're down in the southeast here.  
8 There is quite a few down here as well.

9                   Next I'm going to talk a little bit about the  
10 scoping process as to how we've come to this point and what  
11 is left.

12                   On February 20th of this year, Duke Power filed  
13 their license application for the Nantahala Project. After  
14 that, the FERC issued a tendering notice which announces to  
15 the public and to agencies, to whomever, that this  
16 application has been filed and it offers a chance for  
17 additional study request to be made by whomever. And for  
18 this project, we did not receive any additional study  
19 request.

20                   So FERC moved on to the review of the application  
21 and we have certain regulations that an applicant or the  
22 industry has to make sure that their application contains.  
23 They have to comply with the whole outline and those can be  
24 found in this small book as to what our regulations are.

25                   So we looked over that application to see what it

1 had and if it was missing anything and then on July 12, FERC  
2 issued an acceptance notice and we issued some AIRs. AIRs  
3 are additional information request. It basically just  
4 covers a few things that we noticed in the license  
5 application that were missing or maybe just needed some  
6 clarification on.

7 So we issued some questions to have Duke come  
8 back and answer them to the best of their ability and  
9 knowledge.

10 We review those additional information requests,  
11 make sure that they kind of meet what we were looking for  
12 and then we get to the scoping process, which is where we  
13 are at right now.

14 We issued a scoping notice and scoping document  
15 on October 29 of this year and it kind of outlines what we  
16 think the major issues are for this project and what will be  
17 contained in our environmental analysis.

18 We asked for your comments and those I believe  
19 are due in the middle of January. So you have up until  
20 January to look over the scoping document, as well as  
21 anything that might come about from these meetings. If you  
22 have anything you'd like to comment on, you'll have until  
23 the middle of January.

24 After this meeting is held, if there is any  
25 comments that merit us issuing a second scoping document

1 that maybe broaden what we are going to look at in our  
2 environmental analysis, we'll go ahead and do a scoping  
3 document number 2.

4 But if there is no substantial comments or  
5 comments that are not different from what we have already  
6 received, we'll bypass that and go onto the preparation of  
7 the environmental document.

8 We are going to issue an environmental analysis  
9 and get some comments on that and if there is no substantial  
10 comments on that, we'll go to the issuing of the license  
11 article and the order basically, which will give Duke their  
12 license for anywhere between 30 to 50 years.

13 And I think that pretty much sums up the scoping  
14 process, and I'm going to -- if there is no questions right  
15 now, I'm going to turn the meeting over to John Wishon to  
16 cover a little bit of the Nantahala Project and what it all  
17 entails.

18 MR. WISHON: Thank you Carolyn. As Carolyn said  
19 we are here today at the FERC scoping meeting and I've been  
20 asked to do a small, quick presentation on the Nantahala  
21 Project and some of the enhancements that were proposed in  
22 the settlement agreement.

23 Always good to have helpers. Thank you. The  
24 Nantahala Project, as you can see, consist of a reservoir  
25 dam, water conveyance system that includes five miles of

1 tunnel from the dam to the power house and it also includes  
2 a water pipeline that runs from White Oak Diversion Dam over  
3 to the portal on the Apple Tree, collects it there into the  
4 Nantahala Tunnel.

5 The White Oak Creek Diversion Dam, it supplies  
6 additional water to the project and it flows into Dicks  
7 Creek Diversion, is allowed to overflow the dam to provide  
8 aquatic enhancements for the Nantahala River Bypass Reach.

9 And I need to add that that's been changed from  
10 handouts that we got -- Jason got those? Anyway, I've got  
11 this, if anyone would like a copy of this presentation, I  
12 have it and it's got one line that's different. Steve  
13 didn't' complain until I fixed it.

14 And also, as we go through this, I've not put a  
15 lot of information this time concerning heights,  
16 measurements, lengths. We've got a handout sheet there that  
17 covers all that. I thought that would just take too much  
18 time.

19 The Nantahala Hydro Project, as you can see, this  
20 is an aerial view. Blue denotes project boundary and blue  
21 upon the yellow denotes the tunnels and the pipelines, as  
22 you can see. Quite an amazing pipeline that runs from the  
23 Nantahala Lake to the power house, which is close to six  
24 miles (inaudible) down the mountain.

25 You can see the bypass reach winding around, the

1 Nantahala Bypass Reach winding around and then over in the  
2 left hand corner, your left hand corner, is the white Oak  
3 Project and you can see where (inaudible) with the Nantahala  
4 River Bypass Ridge.

5 The organization and agencies that provided the  
6 input during the consultation phase. There is significant  
7 amount of them. The red is the organizations that signed  
8 the Nantahala Property and Stakeholder Team Settlement  
9 Agreement.

10 The Stakeholder Team -- first of all let me talk  
11 about the Stakeholder Team just a second. I've got to add  
12 here that this was an excellent group of people to work  
13 with. We got along well. I don't remember really a harsh  
14 word that was said among anybody there. Except maybe me and  
15 Cantrell.

16 (Laughter.)

17 Other than that, people got along fine and it was  
18 a spirit of cooperation. I heard homeowners ask river  
19 folks, would another foot of our lake elevation help you  
20 during drought period times to provide water for recreation?  
21 And I think that's why it was successful.

22 The Stakeholder Team define the hydro project  
23 related issues and you can see down through there these were  
24 some of the major ones. Recreational facilities  
25 enhancements, wildlife viewing platform, river information,

1 wildlife information, aquatic habitat flows, recreation  
2 flows, lake levels, fish passage, resource enhancement  
3 funding, compliance monitoring, shoreline management, and  
4 the list goes on, public information, cultural resources.

5 Let's look at some of the recreational facilities  
6 enhancements. We have two existing access areas, the Rocky  
7 Branch and the Big Chogee Access, and these two are located,  
8 if you are standing on the dam, facing the stream, up the  
9 lake, and we have this one already in existence, and this  
10 one over here is, also.

11 What we are proposing to do here is -- the North  
12 Carolina Wildlife Commission, which is an excellent partner,  
13 has already put the docks in. we're going to put up  
14 lighting. Mark had some good ideas on the lighting. It's  
15 top lighting designed to minimize effect on fish and  
16 wildlife in that area.

17 We're going to put a bank fishing area on both  
18 sides. A pulp and haul toilet, which is, as far as  
19 outhouses goes folks, it's a pretty good looking outhouse.  
20 I'd be tickled to death growing up if we had one of them at  
21 the house upon that hill.

22 (Laughter.)

23 These are to be done with five years of the  
24 acceptance of the license or after the Commission's approval  
25 or after the approval of all the resource agencies. Before

1 15 years is up, we're going to pave these areas.

2 I think the folks that went on a site visit  
3 today, there are pretty impressive areas for our size lakes  
4 we've got. And we'll be picking up trash. The Fish and  
5 Wildlife Resources agreed, if we have a contract for them  
6 they'll haul it out.

7 Next spot is primitive camping sites located on  
8 the United States Forest Service property. We've designated  
9 \$50,000 to the Forest Service to cover the costs of these  
10 sites wherever they want. They own a lot of them around our  
11 project. And they'll be there -- or if they don't want to  
12 use it for this and Donley has already talked about that,  
13 maybe there is a possibility if they didn't want to manage  
14 these.

15 If they don't use all the \$50,000 or don't want  
16 to use any of it, they can use it down and around the  
17 powerhouse, as he mentioned, putting in fish in places along  
18 the bike trail, which is also an excellent place for people  
19 to recreate.

20 Lake access recreational and wildlife information  
21 provided in conjunction with the Wildlife Resources  
22 Commission Fish and Wildlife Service, and the Forest Service  
23 Lake access information signs and Kiosks, the Rocky Branch  
24 and this access area.

25 We're going to construct the wildlife viewing

1 platform at either one of these two locations. We'll have  
2 meeting with the Forest Service and same agencies and we'll  
3 determine if one is needed, and I'm sure one will probably  
4 be needed and we'll cover the cost up to \$5,000 to construct  
5 the wildlife viewing platform.

6 We'll move on down to the Bypass Reach. Look at  
7 the recreational enhancements here. First place is the  
8 public access, that's down next to highway 74, to where the  
9 public launches their boats down below the powerhouse.

10 Duke power has agreed to convey three acres of  
11 property -- up to three acres of property there for the  
12 increase of the parking area.

13 The next area is the commercial access area  
14 that's already being used, but if you've ever visited there,  
15 you can tell it's worn. There is a lot of erosion, it just  
16 needs a lot of enhancements. We're going to also deed over  
17 to the Forest Service two acres on that side, plus we're  
18 going to lease some property on the other side of the river,  
19 on the garage side of the river to put overflow parking.

20 And there is also a need for people using the  
21 bile trail. They can all get into this commercial area so  
22 we're going to lose some of them over there where we can put  
23 up a bridge and -- it's older folks mainly use that and it's  
24 a wonderful plan for them. And if we do use that money for  
25 bank fishing, that will also be an access.

1           Behind the Nantahala Powerhouse, we're going to  
2           construct a barrier-free fishing access area. That's right  
3           past the first bridge on the right.

4           Moving on up list a little ways, a parking area  
5           and an access trail that's below the Cascade section. It's  
6           above White Oak Falls -- not White Oak Falls, but Camp  
7           Branch Falls, maybe half a mile. It's on the left. It's a  
8           prime place to put this sort of thing in, a bigger parking  
9           lot.

10           At the Cascade section, we are proposing to have  
11           a parking lot of three to five vehicles, and the viewing  
12           platform, slot falls, parking area, three to five cars. All  
13           these, before this parking area, to view White Oak Falls  
14           will be done within five years.

15           Up to 15 years later, the parking area to view  
16           White Oak Falls, there will be a pull-off there as you go  
17           across the bridge, and we don't tell anybody yet, the  
18           Virginia Spy Ridge, you can view it right there also. There  
19           is three to five cars there.

20           Also parking at Cocktail Falls, which is a little  
21           farther on up the road, at the old river run. Also these  
22           same recreational information signs, we'll put one of them  
23           down probably at the public access area.

24           They will have fishing information, wildlife  
25           information, boating rules, whatever the Forest Service and

1 Wildlife Resources Commission and Mark wants the River to  
2 put on them, and plus the boaters, the North Nantahala Gorge  
3 Association will have a hand in that. Pretty much open,  
4 whatever.

5 Okay, the recreational flows and the Bypass  
6 Reach. I've got a -- Scott did we bring those sheets?

7 SCOTT: Yes, I'll go get them.

8 MR. WISHON: Okay, I'll just sort of hit the high  
9 spots of this until Scott gets back with them. We're going  
10 to put flows in the Nantahala River Bypass Reach at both the  
11 Powerhouse. There is eight flows, two weekends in the  
12 spring, two weekends in the fall, and in the afternoon  
13 sections for four in the summer, for more advanced or more  
14 skillful boaters. I guess that's a good way of putting it.

15 These flows will be different cfs, even up to 400  
16 cfs for the most skillful boaters. Some of the others will  
17 be less. We've worked out -- and I don't have all this  
18 information in my head. There is a flow range for every  
19 month for the main stem that is agreed upon by the Nantahala  
20 Gorge Association and all the members of the Stakeholder  
21 Team approved it.

22 It releases from the Nantahala generating plan to  
23 help support the white water industry, which is a very  
24 important to the economy of this county, and Western North  
25 Carolina. We recognize that and we recognize the need to

1 support it.

2 Aquatic habitat flows. Dicks Creek will continue  
3 to be free flowing. We'll also have another -- we have one  
4 valve presently on the White Oak penstock that releases 8  
5 cfs from July 1 until November 15. that will changed from  
6 November 1 though May 31 will be 8 cfs and then a second  
7 valve there from June 1 through October 21, there will be a  
8 total of 16 cfs released there.

9 White Oak Creek Dam, Diversion Dam, there will be  
10 8 cfs released from January 1 through December 31 year  
11 round.

12 Nantahala Lake level ranges. The blue, as you  
13 can see is the existing license operating level. The red is  
14 what's proposed in the new settlement agreement. As you can  
15 see, there is a big difference. It's higher in the winter,  
16 fills up faster and it stays fuller longer than other months  
17 that was brought faster in the spring and so fish pond.

18 And over this end of it, it's kept up longer for  
19 homeowners. It's just that simple.

20 The next slide here slows you how we're doing  
21 this year. Green at the top is the maximum according to the  
22 settlement agreement. The normal maximum elevation. This  
23 line right here is the normal minimum elevation. The blue  
24 is the target and the red is what we're doing. And you can  
25 see here, during the hurricane, we jumped all over the

1 board. But we finally made it back. We are getting in line  
2 again. You can see, we only missed one. We stayed pretty  
3 close.

4 And one thing that's also, we'll talk about in  
5 just a minute, is we have a low inflow protocol during the  
6 drought years, and it's based upon everyone sharing the pain  
7 and those elevational curve will shift during drought time.

8 The homeowners will also share, the recreational  
9 will share and the company will share, and we'll talk about  
10 that in just a minute.

11 Cultural resources management. The historic  
12 property management plan, that's I think is fairly standard,  
13 isn't it, for all projects? We will work in conjunction  
14 with Eastern Band Cherokee Historical Preservation Office  
15 and Don Shippo to develop this plan.

16 We've worked very closely with Mike and their  
17 folks. We enjoy a good working relationship with the  
18 Eastern Band. We are proud to be their neighbor. I hope  
19 they are proud to have us as neighbors.

20 Protect cultural resource site information. We  
21 have some information, of course, when we've done  
22 archeological survey, that's sensitive. The Eastern Band  
23 doesn't want out, the artifacts were collect and we're  
24 protecting that and that information won't be released.

25 There are two sites on the Nantahala Reservoir

1 that there were some significant finds. So the next time  
2 the Reservoir is drawn down 60 foot or some kind of  
3 maintenance or whatever, and is going to be drawn down for a  
4 period of 30 days, we agree to do another archeological  
5 assessment, at those two sites. And the information  
6 gathered at those two sites, will be entered into the  
7 historical management plan and submitted to the Commission  
8 for their approval.

9 One thing we've also been working with the  
10 Cherokee with is the review of the proposed license used for  
11 meeting activities and access areas and construction. It  
12 involves groundbreaking activities, ground disturbing  
13 activities in areas that's known to be culturally sensitive.

14 We have a form that's sent to the Eastern Band  
15 and they have 30 days to review it and provide comments and  
16 you can't get a dock until you fill it out and work through  
17 them.

18 Public Information System. Provide lake level  
19 and recreational information on the telephone and the  
20 website. This is up and running now, you can go to the  
21 Nantahala website, [www.nantahalapower.com](http://www.nantahalapower.com) and you can look  
22 at the information that's given. You can look at the actual  
23 normal 90-day history, the 7-day history and special message  
24 section.

25 I though well, who is going to use that special

1 message section? Well I found out we had hurricanes. Flow  
2 related schedule on the telephone system, when the water is  
3 going to be released through the generating plant.

4 Reactivated the USGA gauge, the main stem of the  
5 Nantahala. There is one previously there. It's in position  
6 now, it's not been rated. They finished it last week. You  
7 can get stage level right now. But we had to move it down  
8 from the old site. The old site you remember is above the  
9 bridge going down to the quarry.

10 It's going to be placed now, or has been placed  
11 now, you turn off the road going down to the quarry and it's  
12 about half a mile, go down that road and it's in that field,  
13 that first big hole on your right.

14 And also as we've talked for providing  
15 information about river excess signs.

16 Shoreline management plan. Joe you want to get  
17 that and just discuss what we've got up here on that one?  
18 You're the guru here because you know about these. Joe, he  
19 can tell you more of the correct information than I can.

20 MR. HALL: Joe Hall, Duke Power and Light  
21 Management. Our shoreline management program and plan is  
22 designed to meet regulatory requirements. Provided for  
23 public recreation and protect the scenic, recreational,  
24 environmental, and cultural values of the project and permit  
25 uses of project properties, primarily within the project

1 boundary and to protect our generation interest.

2 As part of the development of the plan, we also  
3 coordinated with local law enforcement and we have supported  
4 litter clean up advance that take place annually on the  
5 reservoirs.

6 MR. WISHON: I'd like to add one more thing to  
7 the litter cleanup. I was asked that question during the  
8 scoping this morning. The Homeowners Association have to go  
9 through and pick up the trash but we will volunteer -- not  
10 volunteer, we have volunteered to come through and haul it  
11 all off within the next week.

12 We support river cleanup on the Tuskegee River  
13 and the Nantahala Gorge Association does an outstanding job  
14 of keeping that Nantahala River clean. As it is now, these  
15 four lakes didn't have anybody to volunteer to do that so  
16 they went around on their own, picking up trash around these  
17 four reservoirs. (inaudible) folks, they have a big annual  
18 cleanup, which we haul the trash away.

19 And also, the White Oaks Dam -- White Oak  
20 Diversion Dam, we've got a trash can sitting there, we rake  
21 up manmade trash, we deposit it in the trash can and haul it  
22 off.

23 Compliance monitoring and operational protocol.  
24 Compliance, we're going to fill out an annual report and  
25 it's going to give daily lake elevations, minimal flow

1 releases, recreational flow releases. And if there is a  
2 variance in there, we're going to explain them.

3 The low inflow protocol is designed for everyone  
4 to share the pain during periods of drought. It's well  
5 known that folks that live and work in the Nantahala area,  
6 there is a period of drought, there is not enough water for  
7 everybody. So we're trying to do it on an equal basis.

8 The hydro project maintenance and emergency  
9 protocol, as you know, if you own a piece of equipment, it's  
10 going to break. It's usually going to break at the key time  
11 when everybody needs it the most. As the 4th of July while  
12 the boaters are standing out there looking at you. Mr.  
13 Kennedy calls and we get busy.

14 But anyway, that's also designed that we have a  
15 plan that involves releasing water from the Nantahala Dam.  
16 There are a lot of steps to that. It's not just a matter of  
17 releasing water because if you release water from the  
18 Nantahala Dam, it's also warm water and the agencies that  
19 deal with fish, we've contact them and we monitor it very  
20 closely, the temperature and the dissolved (inaudible).

21 Fish passage, it's pretty self-explanatory. As  
22 signatories to the Settlement of Licensees and the United  
23 States Fish and Wildlife Service agree that provided the dam  
24 is removed, for 20 years following issuance of the new  
25 license, no section 18 mandatory conditions beyond the

1 standard reservations will be necessary or pursued.

2 Resource enhancement funding is \$40,000 to five  
3 counties. There is Cherokee, Clay, Jackson, Macon, Swain,  
4 for soil and water conservation enhancements. \$200,000 for  
5 the purpose of supporting habitat enhancements. \$40,000 to  
6 support Fish and Wildlife Service and Wildlife Resources  
7 Commission and determining the range of the Sicklefin Red  
8 Horse. \$40,000 to support a project by the Fish and  
9 Wildlife Service Wildlife Resources Commission of the United  
10 States Forest Service relative to the native strain of Brook  
11 Trout into the vicinity of the Tennessee Creek Hydro  
12 Station.

13 Resource enhancement funding. One of the issues,  
14 there is a key piece of property that became available for  
15 sale. You can see it's close to the Blue Ridge Parkway.  
16 This is the head waters of the Southern Brook Trout  
17 population.

18 Duke Power bought this 150 acres and it will be  
19 given to the Forest Service whenever we see the new license.  
20 And that's the conclusion. Do I need to shut this thing off  
21 or anything?

22 MS. HOPSOPPLE: Thanks John. Does anyone have  
23 any questions for John about the project or any operations?  
24 Okay, at this time, we will get into the comment period and  
25 if anyone would like to speak, this will go on the record

1 and FERC uses the information that you provide us when we do  
2 our environmental assessment, we will take everyone's  
3 comments into consideration and they will all be weighed  
4 equally.

5 So one at a time, just raise your hand and -- I  
6 guess I should do some introductions too. I apologize. I  
7 should have done this to begin with.

8 We have Ed Abraham here, he is also with FERC.  
9 He is the Chief of the Hydro East branch which I am in. He  
10 is my boss. And then we have some representatives here, two  
11 from Louis Berger and one from EA Engineering Consultants.  
12 They are consultants that will be helping us with this  
13 project in preparing the environmental assessment and  
14 anything else that we might need.

15 We have Leslie Smythe, Louis Berger, Frankie  
16 Green Louis Berger and Susan Bolts from EA Engineering. And  
17 we will be here to answer any questions that you may have,  
18 but again, this is the comment period so please just raise  
19 your hand and we will call on you and come up. Remember to  
20 state who you are and who you represent and go ahead with  
21 your comment. Anybody have any comments? Michael Bolt do  
22 you want to provide a comment?

23 MR. BOLT: Michael Bolt Eastern Band of Cherokee  
24 Indians. I'm not sure what the protocol is so I'll just  
25 basically tell you that I worked on the stakeholders team

1 for several years and many meetings and the tribe has two  
2 interests, present and the past.

3 On the past, we are in the heart of the  
4 aboriginal territory of the Cherokee. There is significant  
5 cultural resources. I feel that Duke Power has made every  
6 reasonable effort and lots of consultation. I am  
7 particularly heartened that they will be developing the HPMP  
8 in consultation with us rather than dictating to us what  
9 they will be doing.

10 On the side of the present, we are, I believe the  
11 largest employer west of Ashville. We use a lot of  
12 electricity. The people on the reservation are interested  
13 in keeping their power bills at a reasonable rate, enjoying  
14 the recreational and environmental pleasures of the  
15 mountains in this area.

16 I believe that the resource enhancements proposed  
17 by Duke will assist in doing that and, so, yes, generally we  
18 are in favor of the application as it stands and I was  
19 pleased to recommend to our Chief that he sign the  
20 settlement agreements in October of last year. Thanks.

21 MS. HOPSOPPLE: Thank you Michael. Next would  
22 James Godsey like to speak?

23 MR. GODSEY: James Godsey -- G O D S E Y. I  
24 represent the Nantahala Fire and Rescue Department. I went  
25 through the entire stakeholders team on these meetings and

1 if you saw on this display, we were one of two organizations  
2 that did not sign the consensus agreement.

3 We strongly resent one item on that entire  
4 agreement, and that was the release of water for  
5 recreational through the Tanitor Gate into the bypass. That  
6 river follows our road 1310, is a two-lane mountain curvy  
7 road that has very limited access and pull-offs to it. And  
8 we feel that with the estimated 200 private boaters that  
9 will be using that river at that time, it's going to be a  
10 great increase in traffic, it's going to cost more traffic  
11 accidents.

12 But one of the most major items that we are  
13 concerned about is that this traffic is going to impede our  
14 emergency equipment. If you all are familiar with volunteer  
15 fire departments, it's usually the first ones there that  
16 will grab the trucks. They have lights and sirens. People  
17 may get out of the way for the trucks but they do not get  
18 out of the way for the rescue personnel, which do not have  
19 lights or sirens.

20 It is our great concern. I thank you very much  
21 for your time and I do hope you take this into  
22 consideration.

23 MS. HOPSOPPLE: Thanks James. Mark Cantrell, did  
24 you want to speak?

25 MR. CANTRELL: He'd be disappointed if I did turn

1 down an offer. My name is Mark Cantrell, C-a-n-t-r-e-l-l,  
2 with the United States Fish and Wildlife Service, we are a  
3 Bureau of the Department of Interior.

4 In general our name says it all. We are  
5 interested in fish and wildlife and their habitats. In  
6 particular, we are also interested and tasked with  
7 performing special roles with regards to endangered species,  
8 migratory birds, and fish and wildlife-based recreation.  
9 And those are the sorts of things that we are interested in.

10 Here at Nantahala, we have participated in the  
11 additional stakeholder process that engage folks and we did  
12 sign the Nantahala Cooperative Stakeholders Team Settlement  
13 Agreement.

14 We do plan on filing comments on the license and  
15 application. We do plan to comment on the EA when the draft  
16 comes out and we certainly will file, timely file, terms,  
17 conditions, recommendations, and prescriptions, consistent  
18 with settlement agreement and consistent with our  
19 authorities.

20 We also expect the Fish and Wildlife Service to  
21 consult with the Federal Energy Regulatory Commission  
22 regarding endangered species and in particular, in the field  
23 trip you may have seen the site of a new find that may have  
24 not been detailed in the original license application of  
25 Virginia spirea and we will be discussing those things in

1       our comments to you regarding Virginia Spirea, its habitat,  
2       its needs and some other species of concern that occurred in  
3       the area.

4               With regards to the Settlement Agreement, some of  
5       the ideas that are included in the Settlement Agreement are  
6       really important to us in particular, one of the off-site  
7       source of mitigation elements is that of the Dillsboro Dam  
8       surrender and removal and we certainly are watching keenly  
9       as the Commission processes that application for surrender  
10      and removal and that does have a good deal of bearing on our  
11      attention to these other projects and our terms, conditions,  
12      and prescriptions for the entire basin in the upper  
13      Tennessee River and basin.

14              We are interested, and are certainly pleased with  
15      the outcome of Settlement Agreements with regards to some  
16      other fish and wildlife enhancements and protective  
17      measures. Things to protect the fish, the wildlife, their  
18      habits and some ecosystem functions.

19              In particular, the reservoir levels for aquatic  
20      habitat, some of the re-regulation and minimum flow regimes,  
21      that's basically for bypass reaches of stream and we think  
22      that these will benefit bylaws (inaudible), especially  
23      aquatic species in the habitats there.

24              And we are pleased with the potential for use of  
25      funds and other cooperative measures for riparian

1 restoration enhancements and improved water quality.

2 We are pleased with the elements of fish and  
3 wildlife-based recreational opportunities and the  
4 interpretive opportunities with signage and the other  
5 recreational-based interpretation and information, website  
6 information for flows and so on. And again, would like to  
7 reiterate that we did focus a lot on the endangered species  
8 issue and we continue to address those things as we proceed  
9 through the process. Thank you.

10 MS. HOPSOPPLE: Richard Conley.

11 MR. CONLEY: My name is Richard Conley, I  
12 represent myself -- C-o-n-l-e-y. I'm retired from Duke  
13 Power, was involved with this process some during my working  
14 career. All my life I've worked around the power plants and  
15 the dams and have been involved with that stuff.

16 I work with Duke Power and Lake Management, I  
17 work with the relicensing process and quite frankly, I'm  
18 really impressed. This was a diverse group that they had to  
19 work with and this is a real good agreement to come out of  
20 the group, as diverse as this was, as little controversy as  
21 there have been on this. And I just want to say I'm  
22 impress.

23 The only thing that I saw in it, and it's not a  
24 great concern, but I'd like to see it addressed more, there  
25 is not much there for enhancement of warm water fisheries.

1 The fishing in our lakes is not the best in the world. Our  
2 rivers, certainly the flows and some of the stuff we're  
3 doing will enhance the fishing in the river.

4 Being an avid fisherman and mostly lake fishing,  
5 that concerns me. And there are some things that could be  
6 done, habitat improvement, brush (inaudible), that type of  
7 stuff. They can be done fairly inexpensively and I'd just  
8 like to see more emphasis put on that. Thank you.

9 MS. HOPSOPPLE: That's everybody that had  
10 specifically signed in and requested an oral testimony. Is  
11 there anybody else who would like to comment on anything  
12 that was said or provide any additional issues, concerns?

13 Okay, I believe that concludes our meeting.  
14 Again if there is any presentation that you want a copy of,  
15 please see the appropriate person and thank you all for  
16 coming.

17 (Whereupon, at 3:00 p.m., the scoping meeting was  
18 adjourned.)

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