

1 LAKE MARTIN RELICENSING

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3 FERC Scpoing Meeting

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10 Date: September 11th 2008

11 Time: 9:00 a.m.

12 Location: Betty Carol Graham Building

13 1675 Cherokee Road

14 Alexander City, Alabama 35010

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23 Karen Kelley

24 Certified Court Reporter

1 MR. EMERY: Welcome, everyone, to the
2 scoping meeting for the Martin Dam
3 Hydroelectric Project. I am pleased to be
4 here in Alabama and look forward to a great
5 day today for the project for Lake Martin. I
6 am Lee Emery from the Federal Energy
7 Regulatory Commission's office located in
8 Washington, D.C. and I am the project
9 coordinator for the project and a fishery
10 biologist by training. I have two other
11 Commission staff with me today. Jennifer
12 Adams, a wildlife biologist and Monte Terhaar,
13 an environmental engineer.

14 It's a special day, 9/11. I remember
15 this day very clearly seven years ago walking
16 down the streets of Washington, D.C. and
17 seeing the black smoke coming from the
18 Pentagon and gunships flying over. I almost
19 had flashbacks from my time in Vietnam. I
20 think it's appropriate to take a moment of
21 silence and remember all of those who lost
22 their lives that day, 9/11/01.

23 (Brief moment of silence.)

24 MR. EMERY: Okay. Any of those -- I
25 heard a phone ring. Please put your phones on

1 silence. Let me cover some administrative
2 matters. First of all, be sure and sign in if
3 you have not already done so. There are also
4 copies of the scoping document over there. We
5 will be referring to that later on and it
6 would be helpful to have a copy in your hands.
7 The names collected this evening will not be
8 used to develop a mailing list for the
9 project. If you want to be put on the project
10 mailing list to receive information as it
11 comes out all the time you will have to send a
12 document to the Commission and file a letter
13 with them requesting that you want to be put
14 on their mailing list for this project with
15 the project name on it. And the details of
16 the request to be put on the mailing list are
17 found page 18 and 19 of the scoping document.
18 Also, the current mailing list is in the back
19 of the scoping document to give you an idea of
20 who is on there right now.

21 Also, we have a court reporter with us
22 this morning, Karen Kelley, who will be
23 keeping the record of today's discussions.
24 The transcript will become part of the
25 Commission record for the project and a

1 transcript will be available for purchase if
2 you need them right away. See her after the
3 meeting if you want to get specifics on that.
4 When making comments this morning speak
5 clearly. We have some microphones available
6 so that the court reporter can hear you. If
7 you can't hearing something, Karen, as we go
8 along please raise your hand or ask us to
9 speak up. Also if you have any unusual names
10 or spellings of a word that you say, spell it
11 out so we can get it in the record correctly.

12 Those of you who are shy and don't
13 want to make an oral statement, you have a
14 chance as well to file a written comment that
15 are due by October 1st, or you can do both,
16 enter an oral comment and a written comment.
17 If you are filing a written comment send them
18 to the same address on page 18 of the scoping
19 documents.

20 Before we get going I want to
21 introduce Brian Bice from the Chamber of
22 Commerce of Alexander City. He would like to
23 say a few words before we get started.

24 MR. BICE: Good morning. Thank you
25 for allowing me to speak this morning. I am

1 Brian Bice. I currently serve as the chairman
2 of the board of directors for the Alexander
3 City Chamber of Commerce in Alexander City. I
4 have had the privilege of growing up in
5 Alexander City and have had the opportunity to
6 enjoy Lake Martin and all it has to offer. We
7 all understand the purpose of the reservoirs
8 to generate electricity, but the amenities
9 that have evolved over the course of the
10 construction of the dam to create a reservoir
11 has allowed our community to enjoy a quality
12 of life that's not familiar to most other
13 communities. I not only mean enjoying the
14 swimming, boating, fishing, visiting and
15 observing the beauty of the lake, but also
16 what the lake has meant economically to the
17 area. The tremendous developments all around
18 the lake have, over the years, brought
19 thousands of visitors who migrate from the
20 lake areas to shop and dine in surrounding
21 communities. It has caused the growth and
22 creation of Wind Creek State Park. It has
23 attracted a relocation of families who desire
24 an exceptional quality of life and overall has
25 been a catalyst for community development in

1 all of the surrounding communities and that
2 continues today.

3 I might add that developments around
4 the lake have been carefully planned so as not
5 to have an adverse environmental effect on the
6 reservoir and its surrounding properties that
7 go along with that. Not only do developers
8 around the lake take protection of the lake
9 and the tributaries very seriously, we have an
10 area watch group to assist in that effort.
11 With those factors being taken into
12 consideration, I feel strongly that the
13 licensing should proceed so that the longevity
14 and planning growth and development of the
15 surrounding communities around Lake Martin can
16 continue to thrive. Thank you.

17
18 MR. EMERY: Thank you, Brian. First
19 off, a little background. The Commission, The
20 Federal Energy Regulatory Commission, that's
21 us, Under the Federal Power Act, it has the
22 authority to license non-federal hydroelectric
23 projects under the Federal Power Act. It
24 gives us the authority to license
25 hydroelectric projects throughout the United

1 States when they are located on navigable
2 waterways, federal land, or connected to the
3 interstate electric grid. Upon the expiration
4 of a license, an original license, the
5 Commission can issue licenses from 30 to 50
6 years. The current license for the Martin Dam
7 project expires on June 8th 2013. I think the
8 scoping document that was sent out in the mail
9 had June 8th 2011. That was incorrect. The
10 one that I handed out to you today is correct,
11 2013. Prior to a license expiration,
12 licensees must file an application for a new
13 license if they want to keep operating the
14 project into the future. We are currently in
15 the pre-filing process for the Martin Dam
16 project and Alabama Power must file a license
17 application for this project by June 7th 2011
18 to meet Commission's deadlines defined by the
19 regulations.

20 As the name implies, we are a federal
21 regulatory agency and licensing hydroelectric
22 projects is just one of several
23 responsibilities held by the agency. We are
24 required under a variety of federal laws,
25 including the National Environmental Policy

1 Act and our own regulations to independently
2 evaluate the environmental effects of
3 licensing the project and to consider
4 reasonable alternatives to ultimately reduce
5 the adverse effects on the quality of the
6 human environment, and scoping is part of this
7 required process.

8 The information we gather this morning
9 will be very helpful for us in identifying and
10 further refining the resource issues we have
11 identified today in the scoping document for
12 the Martin Dam project. We are here to
13 listen. Your input will help us to prepare an
14 environmental assessment for the project and
15 we will be listening for your comments on
16 site-specific resource issues, on keynote
17 resource issues, and any information gaps or
18 proposed additional study requests, if any.

19 We are still very early in this
20 process. Once the license application for the
21 project is filed with the Commission, we will
22 then prepare an environmental assessment. The
23 EA prepared by the staff will describe
24 potential project effects on the environment,
25 offer staff recommendations, and make a

1 finding as to whether the project would
2 constitute a major federal action
3 significantly affecting the quality of the
4 human environment.

5 Ultimately, the five people there at
6 the Commission will make a decision and
7 determine whether this project should be
8 relicensed or not and under what terms and
9 conditions the project should be operated in
10 the future.

11 Now, we are using ILP, the Integrated
12 Licensing Process for this license
13 application. And I glad the three -- I know
14 many of you have been involved early on and
15 some may not have been. I will speak a couple
16 of words about the ILP. The ILP became the
17 mandatory process in our process of license
18 applications in July 23, 2005. To date we
19 have had two licenses issued using the ILP.
20 And one of the players here, Alabama Power
21 through the Morgan Falls project was recently
22 licensed, one of the two licensed so far.

23 The idea of the ILP -- Integrated
24 Licensing Process -- ILP is to create greater
25 efficiencies in the licensing process by

1 integrating the former pre-filing consultation
2 required by FERC, with the scoping process.
3 The ILP is a frontloaded, collaborative,
4 fast-moving train, I like to say. It requires
5 participation by all participants; the
6 licensee, stakeholders, and other participants
7 early on in this process before the
8 application is filed with the Commission.
9 It's frontloaded. By that I mean a lot of
10 things have to occur on a specific schedule
11 and be completed before the license
12 application can be filed with the Commission.

13 Now, the process plan and schedule for
14 the Martin Dam Project required as part of the
15 ILP is shown in Appendix A of the scoping
16 document that was given out earlier and sent
17 in the mail in the back of the document. The
18 deadlines in the process plan have to be met.
19 That's for us, and for you as well. We are
20 both on the same mandatory requirements. All
21 of the players who want to participate, you
22 got to meet those deadlines. The schedule, if
23 you will, is your mandatory road map. If you
24 miss a due date for providing some of the
25 information or participating at a meeting as

1 shown in the process plan, then you will have
2 missed the train, so to speak, and you won't
3 get a chance to catch it later as it speeds
4 down the track towards filing that license
5 application. It's important to watch these
6 deadlines.

7 Here is an example to illustrate my
8 point. As shown in the process plan for the
9 Martin Dam Project, stakeholders' last
10 opportunity to provide comments on studies
11 proposed to be conducted by Alabama Power are
12 due by April 2, 2009. And then the Commission
13 issues the study plan determination by May 3,
14 2009. The Commission's May 3rd determination
15 will resolve any disagreements over which
16 studies should be conducted by Alabama Power
17 and allow the Commission to proceed with
18 processing the license application. Alabama
19 Power must conduct the studies as approved.
20 If a party or entity decides on April 3 that
21 they forgot to file or submit a study request,
22 then they are too late. It will have to be
23 considered at a later time at some other
24 opportunity.

25 Now, we review the progress of the

1 studies within one year of the study
2 determination and requests for modifications
3 to the study plans and new studies can be
4 considered at that time, but only upon a
5 showing of good cause. As we proceed
6 throughout this process it becomes
7 increasingly harder to justify the need for
8 study modifications or a new study.

9 Now, the second season of studies
10 should not be thought of as a given, but
11 rather as a "just in case" or a chance for
12 follow-up studies, something that was
13 discovered during study number one that needs
14 to be followed up in study number two,
15 something that was discovered during an
16 original study. The criteria for getting a
17 second study approved is difficult and the
18 regulations state they must demonstrate
19 extraordinary circumstances. So don't take
20 that as a given that if you miss it this time
21 that you are going to get it the second time
22 around.

23 Since we are talking about the
24 criteria for studies, they are showing in
25 Appendix A of the scoping document as well the

1 seven criteria of what a normal study request
2 should contain. You can review them later and
3 maybe you are familiar with many of them. But
4 one of the most important ones is, it says,
5 Explain any nexus between project operations
6 and effects on the resources to be studied and
7 how the study results would inform the
8 development of license requirements. Any
9 study proposal that doesn't have a nexus to
10 the project would not be approved by the
11 Commission. We will learn more about the 16
12 study proposals that are proposed to date when
13 Alabama Power gives a presentation shortly.

14 Let's get started. I hope many of you
15 have had a chance to review the
16 Pre-Application Document, the PAD, prior
17 coming today. There is a lot of good
18 information in there and it provides a lot of
19 known projects effects on the environment and
20 helps you and us to begin to define issues,
21 the study needs that we need for this project.

22 The purpose of this morning's meeting
23 is to identify issues, concerns and
24 opportunities associated with the proposed
25 action. We have taken our first step in doing

1 this. Our thoughts are contained in the
2 spoken document. Now it's your turn to let us
3 know what you think, whether there is
4 something wrong, did we miss something, some
5 issues. Here are some things to think about
6 as Jim Crew goes through with his presentation
7 about the project. Have we identified all of
8 the information that is available that would
9 be helpful in analyzing project effects on the
10 environment? Sometimes there is gray
11 literature. Sometimes just from the local
12 community you may know some other publication
13 that is helpful to us. You may have know of
14 something out in the area that -- even things
15 that haven't been effected, maybe it's a water
16 discharge or a water removal or something like
17 that. That is kind of helpful information to
18 prepare the EA.

19 Have we missed any significant
20 resource issues or do you have some
21 suggestions for our current resource issues
22 identified?

23 Are there resource issues and
24 potential issues that don't require analysis?
25 We have something that's wrong and needs to be

1 removed from our list.

2 Are there any other activities in the
3 area that could have cumulative effects on the
4 resources?

5 And do the 16 proposed studies address
6 the information needs for preparing an
7 application? Are there information gaps? And
8 are there any additional studies needed?

9 At this point I would like Jim Crew
10 from Alabama Power to briefly discuss the
11 existing project facilities and operation, and
12 give a brief description of the existing
13 environment and the 16 proposed studies to
14 date. When he is done we will go through
15 resource issue by resource issue in the study
16 request.

17 And I would like to note a note of
18 thanks for Alabama Power for providing us
19 coffee to keep us awake, and snacks. I look
20 for a very productive meeting. I will be back
21 when Jim is done. Thank you.

22

23 MR. CREW: Thanks, Lee. My name is
24 Jim Crew and I am the relicensing project
25 manager for Alabama Power. And I did notice

1 this morning when I was milling around before
2 the meeting there was a lot of concern that
3 maybe since this was FERC's meeting that you
4 wouldn't get the opportunity to hear me speak
5 today, but fortunately I've worked my way in
6 and you are going to hear me again. Okay.

7 What I would like to do -- and I am
8 not going to take but just maybe 10 or 15
9 minutes. But what I would like to do is just
10 give you a broad overview for the Martin
11 Project and basically describe what's out
12 there. We will spend just a few minutes about
13 how the Martin Project is currently operated,
14 as well as some proposed changes that we have
15 been discussing. And then finally, talk a
16 little bit about the 16 draft study plans that
17 have been developed to date.

18 The Martin Project was placed into
19 service in 1926. Of course, it included the
20 dam, spillway, and powerhouse. It has four
21 generating units with a total capacity of
22 about 182 megawatts. The project also
23 includes, of course, a 40,000 acre lake with
24 700 miles of shoreline, as well as about 8,800
25 acres of additional land that is also included

1 in the FERC license project boundary.

2 In addition to providing cheap, clean
3 energy Martin also is a major driver for
4 economic development for this region. I think
5 you heard a little bit of that earlier from
6 Brian. It also provides, again, pretty
7 obvious, outstanding recreational
8 opportunities, a vast environmental habitat
9 for the various additional wildlife species.
10 As a storage project it provides seasonal
11 flood control and also municipal and
12 industrial water supply. Martin, of course,
13 is located in the Tallapoosa River basin with
14 Harris upstream and Yates and Thurlow
15 downstream. Harris is about 80 river miles
16 upstream of the Martin. It was constructed in
17 the early 1980s. Yates is about eight miles
18 downstream of Martin, and then three miles
19 downstream from Yates is Thurlow. Both Yates
20 and Thurlow were relicensed in 2003 and
21 Thurlow currently has a minimum flow
22 requirement of 1,200 CFS. The current Martin
23 operations call for the project to be operated
24 between two specific guide curves. Those are
25 the flood control guide curve and the

1 operating guide curve. The flood control
2 guide curve, shown here in blue, is the
3 maximum elevation that the reservoirs maintain
4 from a flood control standpoint. The
5 operating guide curve, shown in green, was
6 developed during the relicensing of Martin in
7 the 1970s, as a result of discussions with the
8 Lake Martin Resource Association and their
9 concerns and interest in minimizing
10 fluctuations in the reservoirs and maintaining
11 higher elevations.

12 We will note here -- don't freak out
13 or anything -- you may notice on the left the
14 elevations are 481 from 491. That 480, 490,
15 those MSL -- we have had this discussion a lot
16 in the past. What you would normally see here
17 and have seen here for years is the use of the
18 Martin Datum and that is one foot below MSL.
19 We are trying to convert using MSL like all of
20 our other projects do.

21 As far as the operations themselves,
22 of course, the maximum summer pool is
23 elevation 490 again at Martin Datum. Winter
24 pool is 480. There is no flood easement on
25 this reservoir and once your at summer pool

1 the draw down starts around the first of
2 September with the intention of reaching
3 winter pool by the end of the year. The
4 refilling process starts right around the
5 middle of February and reaches summer pool by
6 the end of April. Although we are very early
7 in the process, we have had quite a bit of
8 discussion about the feasibility of making
9 changes to these guide curves. These changes,
10 these discussions of these changes include
11 possible higher winter pools. What we are
12 doing right now is modeling that through one
13 foot increments between 480 and 485 and
14 determining the feasibility of those changes.
15 Other changes including filling earlier;
16 instead starting that process in mid February,
17 starting it in mid January.

18 An additional change that we are
19 looking at is actually maintaining the summer
20 pool longer. Instead of September 1, keep it
21 full through maybe October 1 or maybe even
22 longer. The development of the draft study
23 plans that Lee mentioned actually started in
24 January of 2007 with our issues and
25 indications work-up in this very room. A lot

1 of stakeholders, we got together and just
2 threw out everything we could possibly think
3 of, concerns and issues. So that really
4 started the process.

5 From that point we formed six Martin
6 issue groups or MIGs according to resource
7 here, like fishing, wildlife or recreation or
8 whatever. So these Martin issue groups were
9 given this long list of concerns and issues
10 that came about through the January meeting
11 and they used that information to figure out
12 what data is available and where those gaps
13 are and how we can fill those gaps. So that
14 led to the development of the specific study
15 plans.

16 Ultimately, once the study plans are
17 approved by FERC and implemented and the data
18 is corrected and subsequently evaluated, that
19 information will result in the mitigation and
20 enhancement measures that we end up proposing
21 in our license application that we file with
22 FERC in 2011.

23 As far as the specific study plans, I
24 am not going to go through each one of these.
25 MIG 1 is the fish and wildlife area. That

1 group developed, I think, seven studies on
2 that. Migratory fishing flow downstream of
3 Martin, skiing, fishing, wildlife management.
4 One thing developed here is that the resource
5 agency, specifically Farmers Conservation and
6 Natural Resources and the U.S. Fish and
7 Wildlife Service, obviously played a very
8 significant role in developing the specific
9 studies given obviously their expertise, as
10 well as their regulatory authority over these
11 issues. So there are seven fish and wildlife
12 study plans that are being proposed.

13 MIG 2 deals with water quality and
14 quantity. That group developed four draft
15 study plans. Obviously, they worked with ADEM
16 and Lake Watch and several other stakeholders
17 in developing these, but in addition to the
18 water quality the study plans included water
19 quantity, which obviously addressed water
20 withdrawals as well as erosion, sedimentation
21 and then NPDES currents will be a database
22 that is ultimately developed.

23 MIG 3 is project operations. And,
24 obviously, this is the one that most folks
25 around Martin are most interested in. It

1 deals with the feasibility in making changes
2 to the guide curves.

3 So in addition to that analysis and
4 those modeling studies that will be conducted,
5 this study plan will also include evaluating
6 the environmental effects of whatever changes
7 are proposed, as well as trying to document,
8 identify quantifying documents for
9 recreational benefits associated with any
10 changes, as well as the property value and
11 business use impacts.

12 MIG 4 is shoreline management. This
13 group developed a very comprehensive shoreline
14 management program. Again, it crosses a lot
15 of different borders and a lot of different
16 issues. So a lot of folks are involved in
17 this particular study plan. It includes
18 things like shoreline protection, whether it
19 be buffer strips or bank stabilizations, those
20 sorts of things. It also is re-evaluating or
21 revisiting the land classifications of those
22 8,800 acres I mentioned earlier that were in
23 the project. They have specific
24 classifications and uses associated with them.
25 And we are revisiting those and determining

1 whether there are any changes that are
2 necessary or beneficial. The shoreline
3 management program will also look at a
4 permitting program and the need for any tweaks
5 or adjustments to that program.

6 MIG 5 is recreation. Again, similar
7 to the shoreline management plan this study
8 plan, in essence, involves the development of
9 the recreation management plan. And the
10 overall objective, of course, is to develop a
11 vision for what recreation on Lake Martin
12 should look like in the future. It involved
13 the assessment of the current use, existing
14 facilities, and ultimately determining what is
15 the need for additional facilities in the
16 future.

17 Finally, our last issue group, MIG 6,
18 is cultural resources. This one is a little
19 different in that it's limited to FERC, the
20 Alabama Historical Commission and the Native
21 American Tribes. And they are specifically
22 looking at historic -- the identification and
23 protection of historic property. So this one
24 is conducted a little bit independent from the
25 other groups.

1 So that's a very brief overview. And
2 I know most of you have heard a lot of this
3 before, so hopefully it's just a review. But
4 it will set the stage, I think, for Lee when
5 he starts getting into your specific comments.
6 Thank you. I will turn it back over to Lee.

7
8 MR. EMERY: Okay. We'll be starting
9 now going through the resource issues. They
10 are in your scoping document. When you speak,
11 it's a fairly large room, you may want to come
12 forward and use one of the microphones. State
13 your name, the name of your affiliation and
14 any unusual spellings.

15 The resource issues start on page 15
16 of the document. The first item would be
17 Geology and Soil Resources. It says there the
18 effects of project operations and rule curve
19 changes on erosion of reservoir and island
20 shorelines, on erosion of riverbanks in
21 project-affected stream reaches downstream
22 from Martin Dam, and any increased
23 sedimentation in Lake Martin caused by Project
24 operation. That's what we have identified
25 based on the PAD and the problems that we have

1 seen. Does anybody want to make a comment
2 about this particular resource issue?

3 MR. FOREHAND: My name is Steve
4 Forehand. I am representing the Lake Martin
5 Resource Association. Mr. Emery, if I might,
6 could I give a brief statement for the record
7 about the history of Lake Martin Resources
8 Association?

9 MR. EMERY: Three or four minutes.

10 MR. FOREHAND: Very brief. Lake
11 Martin Resource Association, hereinafter I
12 will refer to it as LMRA, was formed in 1970
13 for the purpose of representing lake users in
14 the licensing proceeding with the power
15 company proceeding at that time. LMRA
16 actually filed an intervention and worked with
17 the power company and several other interested
18 parties to develop the existing operating and
19 rule curve that we use today. In the 38 years
20 of its existence the relationship with the
21 power company has evolved and grown. And we
22 are very pleased with our relationship with
23 the power company and I hope they feel the
24 same way. We don't always agree on things,
25 but we are always able to accommodate each

1 other's point of view and ideas. With that
2 brief historical background I would like to
3 make a comment on the geology of the soils
4 area.

5 Due to significant erosion of some
6 parts of the shoreline at Lake Martin, LMRA
7 would like to propose an addition to the study
8 plan, of the developing study to determine
9 shoreline contour locations in existence as of
10 the renewal date of the current license in
11 1970. LMRA believes that the wave action has
12 contributed to substantial shoreline erosion
13 and would encourage the inclusion in the
14 license renewal of the authority to petition
15 to restore the shoreline to 1970 contours.
16 LMRA believes a number of benefits can result
17 from this shoreline restoration, not the least
18 of -- least of which includes, one, improved
19 water quality from decreased sedimentation.
20 Two, improved filtration of service run-off
21 due to preservation of a larger riparian
22 buffer; fewer trees will be required to be
23 disturbed by future development of the
24 shoreline restoration. And three, improved
25 fish habitat due to installation of erosion

1 control and other measures that will provide
2 havens for fish fry.

3 With respect to item one above, if the
4 property owners were allowed to restore the
5 shorelines to the 1970 contours, they allow
6 this to stabilize the restored land in order
7 to prevent further erosion of the shoreline.
8 Installation of the controlled -- erosion
9 control measures will limit further erosion
10 and the accompanying silt and the sediment in
11 the water.

12 Any restoration of land above the 491
13 MSL contour associated with the restoration of
14 the shorelines should be required to be
15 base-studded or stabilized with other
16 appropriate measures to prevent further runoff
17 from settling in the lake.

18 With respect to item two, restoration
19 of the shoreline to facilitate preservation of
20 more trees in the future development of the
21 property by allowing the building envelope,
22 any buildings to be shifted toward the
23 restored area, the result of this will be a
24 preservation of a valuable filtering source
25 for the run-off. Stone or other shoreline

1 stabilization methods employed would also
2 provide valuable filtration. And with respect
3 to item three, restoration of the shoreline
4 contour with stabilization with stone, wood
5 structures, or other appropriate measures will
6 provide shelter and protection for the fish
7 fry and improve the fish habitat in Lake
8 Martin.

9 MR. EMERY: I have a couple of
10 questions for you. What's the significance of
11 the 1970 contour?

12 MR. FOREHAND: That was the date of
13 the renewal of the last license. And I would
14 imagine that some sources of that information
15 could be aerial photos, surveys or satellite
16 imagery. And it gives you the best available
17 information.

18 MR. EMERY: We had a brief visit up
19 there yesterday. I don't proclaim to know
20 every inch of that lake -- a very brief visit
21 -- but the portions that I have seen
22 yesterday, I didn't see very much shoreline
23 erosion and I saw pretty stable banks. Are
24 there some specific areas that you could put
25 in the record and provide us at a later date

1 where you seem to think is more significant
2 erosion occurring?

3 MR. FOREHAND: There are a significant
4 number of areas that we could provide at a
5 later date. I think we prefer to do that in
6 the written comments because we can give you
7 GPS locations.

8 MR. EMERY: That's fine. That's what
9 we are here for, to get additional information
10 and help us and help define and help support,
11 whatever your issue is, the best chance of
12 survival has a supporting base with it.
13 That's all of the questions I have on that.
14 Thank you very much.

15 MR. TERHARR: Do you have any
16 photographic documentation of this erosion?

17 MR. EMERY: The question was: Do you
18 have any photographic documentation of this
19 erosion?

20 MR. FOREHAND: I don't have any with
21 me today, but we can supply photographic
22 documentation in the written comments.

23 MR. EMERY: Okay. October 13th.
24 Okay. Any other comments on geology and soil
25 resources?

1 MS. HALL: I am April Hall with the
2 Alabama Rivers Alliance. We are a state-wide
3 non-profit river organization based in
4 Birmingham and we have been working with these
5 great Lake Martin folks for many years. I
6 wanted to get a clarification about the
7 geographic scope on the geology and soil
8 resources area. The geographic scope for the
9 water resources and fishery section has been
10 expanded to below Thurlow and I wanted to make
11 sure that the scope for the erosion would also
12 extend to the Project-impacted water
13 fluctuation for Thurlow.

14 MR. EMERY: I believe we had those two
15 geographic scopes. Those are cumulative
16 impacts, so we could find the scope. Are you
17 saying that we should probably include geology
18 and soils as part of the affected resource or
19 just to be sure that we look at the erosion
20 effects pending Project-cause downstream to
21 Thurlow?

22 MS. HALL: Right. The latter.

23 MR. EMERY: Any other comments on
24 geology and soils?

1 (No comments.)

2

3 MR. EMERY: We have five bullets under
4 on Water Resources. The first one being the
5 effects of proposed project operation on water
6 quality in Lake Martin, as well as effects on
7 temperature and dissolved oxygen in the
8 Tallapoosa River downstream of Martin Dam and
9 the Project's ability to meet the State water
10 quality standards. I am going to read all
11 five first and then add that by issue.

12 The second one, the effects of the
13 proposed rule curve on striped bass thermal
14 refugia at Lake Martin.

15 The effects of the proposed rule curve
16 change on water withdrawals, wastewater
17 assimilation, water quantity and timing of
18 releases for downstream navigation, hydropower
19 use, including inflows to and minimum flow
20 releases from the Yates and Thurlow project,
21 and downstream flooding potential.

22 The effects of the proposed rule curve
23 on water quality and nutrients in embayments
24 within Lake Martin that are associated with
25 tributaries.

1 The effects of the proposed rule curve
2 on water usage during drought conditions, for
3 example, the drought contingency operations.

4 Who wants to be first up to have a
5 comment on water resources?

6
7 MR. SAILORS: My name is Jerry
8 Sailors. I am the president of the Coosa
9 Alabama River Improvement Association located
10 in Montgomery. And just a brief background on
11 that association. We were formed in 1890 for
12 the purpose of promoting navigation from Rome,
13 Georgia to Mobile, Alabama via the Coosa and
14 Alabama Rivers. Of course, the only navigable
15 waterways that are in place right now is on
16 the Alabama River from a commercial
17 standpoint. One of the things I wanted to ask
18 about and make sure that it's considered in
19 the deliberations here is the effect of the
20 timing and quantity of the flow releases for
21 the navigation out of the, both the Coosa and
22 the Tallapoosa projects into the Alabama
23 River. Your proposals to delay the summer
24 pool drawdown and/or begin the filling of the
25 summer pool earlier could have an effect on

1 the amount of water that does support
2 navigation downstream. You might understand
3 that navigation on the Alabama River is a
4 major economic asset for the State of Alabama.
5 It is also, of course, the Alabama River
6 Navigation Project is under the control of the
7 Corps of Engineers who have the responsibility
8 of maintaining that particular flow in support
9 of navigation. The flows that go through the
10 Alabama Power projects on the Coosa, of
11 course, are also on the upper end of the
12 Alabama and the Corp project that flow into
13 the Coosa. But the Tallapoosa Project
14 supplements that Coosa flow and are very
15 important to maintain the flow requirements.
16 We are continually measuring what the project
17 has done, Cleburne Lock and Dam which is the
18 Corp project that has no storage in it. In
19 fact, there is minimal storage along the
20 Alabama River for the purpose of supporting
21 navigation. There is a little bit at Robert
22 F. Henry and a little bit at the Miller's
23 Ferry projects. So it is very important for
24 the purposes of navigation on the Alabama that
25 the flow releases be maintained to a point

1 that they can support their on flows as
2 supported by the Corps of Engineers.

3 And we are talking about the kind of
4 industry such as a 120 million dollar wood
5 pallet industry at Selma that relies on having
6 a full navigation channel. We are also
7 talking about a 1.4 billion dollar paper mill
8 down near Monroeville that not only supports
9 it from a standpoint of waterwaste, water
10 supply, and assimilation of effluent, but also
11 for their navigation support of raw supplies
12 that come on the river.

13 So I would ask that these kind of
14 items be fully explored as we're looking at
15 the proposed rule changes.

16

17 MR. EMERY: All right. Thank you for
18 the comment. Yes, sir.

19 MR. FOREHAND: Steve Forehand again on
20 behalf of LMRA. Alabama Power Company in one
21 of the study plans, I believe it was study
22 plan 12, indicates that the model would
23 examine raising the winter pool level of Lake
24 Martin by up to five feet and extending the
25 summer pool into the months of October and

1 November. And while LMRA supports the
2 proposal of raising the winter pool above its
3 present level of 481 feet MSL, LMRA believes
4 that the extension of the shoulder periods
5 would be a great benefit for the majority of
6 the lake users. Jim mentioned the likelihood
7 of studying the shoulder period changes in his
8 presentation and we are very happy to see
9 that.

10 LMRA proposes including in the study
11 plan the following: LMRA supports the change
12 of the winter pool level to 484 feet MSL or
13 such other higher level that is currently in
14 effect as the data would support. FERC has
15 advised that a detailed study of upstream and
16 downstream impact of such a change must be
17 completed prior to its approval of the change.
18 LMRA proposes that the winter pool level
19 remain at 481 feet MSL during the time when
20 such studies are pending, and until such time
21 as the studies indicate that the change is
22 supported by appropriate data.

23 LMRA also proposes that Alabama Power
24 Company raise the summer pool level of 491
25 feet MSL by April 1st each year, effective

1 immediately. If this proposal requires
2 changing the data that Alabama Power Company
3 is refilling the lake, LMRA proposes that
4 Alabama Power Company petition FERC to adjust
5 the beginning date to the refill to meet this
6 target.

7 LMRA proposes changing the current
8 flood control guidelines to allow the water
9 level to remain at 491 feet MSL until October
10 15th, effective immediately. And in
11 conjunction with these recommendations, LMRA
12 proposes that Alabama Power Company consider
13 whether changes to the operation guidelines
14 are necessary to implement these
15 recommendations.

16 MR. EMERY: What are you saying;
17 October 15 as opposed to October 1? What's
18 the magic key there for 14 days?

19
20 MR. FOREHAND: That extends the
21 usability of the lake during the period where
22 the weather is conducive to boating and
23 enjoying the lake. So that was the reason for
24 that.

1 MR. EMERY: It's my understanding that
2 a lot of folks who use this lake are
3 transient. They come here in the summertime.
4 Do they come back in the wintertime or the
5 fall?

6
7 MR. FOREHAND: Yes. They do come in
8 the fall, and I believe the usage would depend
9 upon the water level. Obviously, the water
10 level has an effect on how much people come
11 back to use the lake. So if the water levels
12 stayed higher for longer periods, we would
13 have more people here.

14 MR. EMERY: Have you been
15 participating thus far in the study program?

16 MR. FOREHAND: Yes. We have had a
17 significant amount of discussion with the
18 power company about these very issues.

19 MR. EMERY: Okay. Great. Thanks for
20 your time. Any other comments about water
21 resources?

22 MR. SMITH: Charles Smith from the
23 Lake Wedowee Property Owners' Association. We
24 are the little lake right up above Lake Martin
25 and we are very much effected by water

1 quantity. And we would like to say, Alabama
2 Power, they have done a great job in managing
3 to help preserve the water in Lake Wedowee
4 this year. But my point is that we have
5 already heard a comment about the navigation
6 flow on the Alabama River, meaning that there
7 is always a required flow to be maintained.
8 During drought or low rain periods you can't
9 take it out of the Coosa River is what we have
10 just heard. So that means it has to come out
11 of the Tallapoosa and we are concerned about
12 that. We are a little bit concerned about the
13 part of the rules changes to this effect:
14 One, is that Lake Harris is limited by river
15 make-up water from mid May to November.
16 Therefore, it cannot sustain the generation or
17 the downstream, I should say, obligations
18 that's needed. So the lake drops. But I have
19 already said they have done a great job this
20 year and the end of last year with this
21 drought.

22 Second, Martin has an operating curve
23 that Harris does not. That gives them a
24 better opportunity to keep a higher level than
25 Lake Harris. We are afraid if any changes are

1 made then Harris may become more fluctuating
2 because we don't have a set operating guide
3 for Harris to go by.

4 And third, we are seeking a higher
5 winter pool level just like Martin is. And if
6 changes are made to Martin, then our lake pays
7 for water elevation, water holding for the
8 Tallapoosa basin and we may extend our
9 fluctuation levels.

10 MR. EMERY: When you say "our" are you
11 referring to your seeking a higher water level
12 for Harris?

13 MR. SMITH: That's correct. What I am
14 asking is that --

15 MR. EMERY: You want consideration of
16 this --

17 MR. SMITH: I want this considered
18 when you are considering the majority rule
19 curve changes to ensure that we do not have an
20 adverse effect on Lake Wedowee and Lake Harris
21 or any other lake.

22 MR. EMERY: Okay. Thank you for your
23 time. Any others on water resources? Yes,
24 ma'am. April.

25 MS. HALL: April Hall again, Alabama

1 Rivers Alliance. I wanted to bring this up in
2 the general water resources category. The
3 scoping meeting in January of last year, we
4 heard on many occasions the desire to be --

5 MR. EMERY: Wait. A scoping meeting
6 for which --

7 MS. HALL: I'm sorry?

8 MR. EMERY: A scoping meeting last
9 January for which plan?

10 MS. HALL: For Martin. An issue
11 identification meeting. We heard on several
12 occasions an interest in modeling and studying
13 the Tallapoosa as a basin similar to what's
14 being done on the Coosa Project. The reasons
15 would be, as the gentleman from Lake Wedowee
16 said, that, in fact, the four projects on the
17 Tallapoosa are all inter-related and the power
18 company has said as much. So a lot of the
19 stakeholders feel that it is important to look
20 at the flow modeling and storage impacts, the
21 lake level impacts, the environmental impacts
22 on a basin approach. The suggestion may have
23 been overlooked so I wanted to bring this up
24 again in light of the drought that we have
25 been experiencing, in light of the water wars

1 that have been ongoing for many, many years.
2 And also, in light of Georgia's intervention
3 and protest in the Coosa Project. So I think
4 that it might be wise to consider modeling on
5 a basin level because these projects are
6 inter-related. Even though I know Harris and
7 Yates and Thurlow aren't included in the
8 Project, I think it would behoove us to look
9 at all of the project operations together, at
10 least in the terms of the studies that are
11 modeled.

12 MR. EMERY: Let me ask Jim Crew
13 directly. Jim, you haven't forgotten about
14 that issue or are you aware of that issue?

15 MR. CREW: Yes, we have. And not to
16 get into too much detail, but we obviously
17 don't look at Martin independently. We
18 understand that it's a coordinated.

19 MR. EMERY: Could you come up here; I
20 don't think everybody can hear you.

21 MR. CREW: Yes. We obviously include
22 the upstream and downstream projects in our
23 modeling of Martin. We can't not include
24 them. We just have limitations on making
25 changes upstream and downstream and we try to

1 determine what's best for Martin and evaluated
2 the impacts of both upstream and downstream.
3 But, again, we are limited on altering those
4 other Projects through this Project. But we
5 recognize the need for looking at operations
6 on a basin-wide -- from a basin-wide
7 standpoint. On the Coosa, which April
8 mentioned, it's a lot easier in that all seven
9 Projects on the Coosa were being relicensed at
10 the same time. So we had the ability to
11 change all Project operations up and down the
12 entire basin. We don't necessarily have that
13 opportunity here. But, again, we don't lose
14 sight of the fact that we look at the entire
15 Tallapoosa basin operations together.

16 MR. EMERY: Thank you, Jim. Anything
17 further, April?

18 MS. HALL: Yeah, I just wanted to make
19 sure that there was an opportunity for folks
20 to gain a better understanding of how the
21 systems works. I haven't seen anything so far
22 in many of the articles that I have ever
23 opened to have information readily available.

24 MR. EMERY: It may not have been in
25 the past, but I have seen that issue covered

1 in the environmental assessment which is the
2 one that cut off of the association with
3 Coosa, Warrior, Harris, Yates, Thurlow use for
4 water quantity and quality basin approaches
5 that should be explained in the EA.

6 MS. HARRIS: And it would be good to
7 kind of, you know, make sure that all of us
8 here have an understanding of the system
9 before it gets too far in. And we want to be
10 able to have a chance to be educated and
11 informed because, as you said, the deadlines
12 are pretty tight.

13 MR. EMERY: You may want to be put on
14 the mailing list for the Project to receive
15 all pieces that come out. There will be
16 pieces coming out along the way as the
17 environmental assessment is done, and there
18 are still going to be several more meetings.
19 And we had to define what these study plans
20 are yet, too. Anyone else?

21 MR. CUNNINGHAM: I am Joseph
22 Cunningham. I am president of the Lake Martin
23 Home Owners and Boat Owners Association. Our
24 organization was formed -- I want to cover
25 just a little bit about the organization for

1 one time.

2 We are totally independent, one
3 hundred percent volunteer organization
4 dedicated to one thing and that is protecting
5 Lake Martin for future generations. We are
6 not affiliated with any corporation, any
7 developer, or any other special interest
8 group. We represent -- currently we have
9 2,038 members at last count. We have a goal.
10 Just four very simple goals. One is to raise
11 the winter level of the water so that we have
12 more water all year around, to protect the
13 water quality at lake Martin, and to improve
14 the shoreline development policies and to
15 represent the membership at this process that
16 we are in. And we will address each of the
17 other three items as they come up.

18 The first thing I would like to do is
19 commend Alabama Power for their efforts in
20 getting the variance last fall after we
21 experienced the lowest lake levels in recent
22 history. And also, we have a lot of state and
23 federal agencies represented here today. And
24 we would like to thank them for their
25 concurrence in the variance and especially

1 FERC for approving the variance. It has
2 allowed us to recover the lake to a much
3 better situation at this time. Last year at
4 this time we were down 15 feet. So you were
5 on the lake yesterday, you know it is much
6 better at this time.

7 From a winter lake level standpoint,
8 the presentation I am really going to turn
9 over to John Glasier in just a minute to
10 explain that. But, basically, what we did as
11 an organization is we polled our entire
12 membership and asked them an open-ended
13 question: Where do you want the winter level
14 to be? When do you want it to go up and when
15 do you want it to go down? And John will give
16 that presentation with one small alteration
17 that we think may be to the best interest of
18 the lake.

19 But, basically, we feel -- our members
20 feel that a winter level of 485 will be the
21 best thing for the lake. And going along with
22 LMRA, we certainly agree that a later
23 reduction in lake level is to the advantage of
24 the lake and should be easily supported by the
25 agencies and downstream folks.

1 MR. EMERY: Just a question. Is it
2 for aesthetics, is it for usage, sailing,
3 water boating, skiing? What's the major
4 impact --

5 MR. CUNNINGHAM: I want to get into
6 that a little bit more when we get into
7 recreation. I think that's part of an
8 economic analysis that I think really the lake
9 deserves and the lake doesn't have and I think
10 we need to do. And I -- you are answering
11 that question first because those are the
12 things that we feel this relicensing process
13 needs to address. I am going to call John
14 Glasier up now.

15 MR. GLASIER: I am John Glasier and I
16 do plan to provide subsequent written comments
17 to amplify some of the issues that I plan to
18 go over. There are about 12 slides here that
19 I will go through quickly. A couple of them
20 relate to the recreation study yesterday, but
21 I think a majority address the overall water
22 resources and study plan. These are the key
23 concerns that I will go through briefly now.
24 And, again, I will provide additional written
25 comments for our organization and they are

1 self-explanatory. We have already discussed
2 the economic value of the lake in terms of the
3 recreation aspect. There have been several
4 comments made about the regional effect and I
5 will display the state-wide, if not a
6 southeastern-wide major impact on the economic
7 growth and also providing a water resource for
8 all beneficial uses in the southeast upper
9 region.

10 Here is some concerns under the
11 recreation/socio-economic heading. And they
12 relate to the proposed changes to the
13 operations and the greatest options and the --
14 exploring for our rule curve changes. The
15 FIMS, which is the Fishery Information
16 Management Systems study, which was done
17 during surveys during the early '90s and
18 completed in '97, that is a good basis for
19 what the effects may be seen from changing
20 rule curves. And, basically, it showed a
21 substantial benefit of -- I will show you on
22 the next slide in a minute -- of raising the
23 winter pool and extending the full pool
24 recreation season. But as pointed out in the
25 proposed study plans, we do need to update

1 that information and I think you need to look
2 towards changing trends now recurring around
3 the lake. I heard a comment earlier regarding
4 mostly transient usage during the wintertime.
5 Due to changes in demographics there has been
6 a tremendous increase in the number of
7 full-timers that surround this lake. You can
8 see a number of homes that have been built,
9 from when the FIMS study was done there was
10 4,800 to 4,900 homes, now we are close to
11 8,000 homes and probably another 500
12 condominiums/apartments around the lake.
13 There are tremendous levels. The trend is
14 toward more year-round users.

15 The next item I have here is lake
16 morphology. Martin is the largest Alabama
17 Power Company endowment, with 700 miles of
18 shoreline. The next closest is Smith Lake
19 with 500. The point I am trying to make here
20 is it is a tremendous opportunity for further
21 economic growth greater than for lake
22 recreation and enjoying the aesthetic
23 environment and setting of the lake. The
24 setting is exceptional and that's why it's in
25 such a demand right now. The setting, the

1 natural setting, the set aside areas, the
2 undeveloped areas that it already has that are
3 being preserved have made it attractive to
4 them. As well as the excellent, if not the
5 best water quality for a lakes in the
6 southeastern United States. These are major
7 factors that I believe are underestimated and
8 really weren't addressed explosively in the
9 FIMS study.

10 The next point is the -- kind of the
11 previous studies done during the Alabama
12 Coosa, Tallapoosa draft environmental impact
13 statement was done as part of the compact
14 during the water wars, so-called water wars
15 negotiation between Georgia and Alabama and
16 Florida. And it showed that not only was
17 Martin number one, but it had, at that time --
18 and this was back in the mid '90s, assessed to
19 be 2.4 million visitor days for recreation.
20 Far above any of the other lakes, including
21 the Alabama, Coosa, Tallapoosa region that
22 could be used for recreation purposes.

23 The final point here is that there is
24 no comparable multi-use water resource
25 substitute for Martin. In other words, water

1 users downstream may, in the future, be able
2 to find substitute alternatives, for example,
3 for navigation. Alternative energy sources
4 may offset some of the EMI trade-off and begin
5 using water for navigation versus other fuels.

6 In the case of Martin, the setting and
7 the people who live here, there is no other
8 substitute. We are essentially here and we
9 are set with the resource, so to speak. So
10 there is no substitute that we can trade-off
11 for without a major effort on our part.

12 The FIMS study I just showed over you
13 here, two aspects of the FIMS study, the
14 business value potential and the property
15 value potential and the top is a various of
16 the summer, winter. And the red numbers on
17 the left summarize, basically, what the
18 potential was for an increased value based
19 upon the FIMS study. Again this is
20 reassessed. I think you will find a
21 comparable change, if not a large change in
22 the value for winter usage business-wise. And
23 we are talking about, in this case, raising
24 the winter pool and extending that of the
25 summer pool for business value. The comment

1 was made earlier, which I think is debatable,
2 how much more economic impact you would have.
3 And the trend is that you would continue into
4 the so-called recreation season in the fall
5 that would have appreciable difference
6 increase in the recreation value on the lake.

7 The property value on the bottom shows
8 the difference between the increase to the
9 summer, changing the winter pool in the fall
10 and extending the summer pool. In both cases
11 there is a significant increase in value by
12 both of those changes.

13 Now, the stakeholder groups says that
14 trying to get the rule curve changes over the
15 last eight years or so, part of the problem
16 and it's been the sole problem, you know, the
17 water wars between the states, and Alabama
18 Power Company, as others have told us, that we
19 can't do anything until these negotiations and
20 now the litigation that's underway is
21 completed. It's very frustrating. Our group,
22 the HOBOS groups and the Lake Martin group has
23 proposed -- I was involved in proposals seven
24 years ago to raise the winter pool and also to
25 extend the summer pool season. And we have

1 been beating our heads against the wall trying
2 to do that.

3 Here is a couple of key points about
4 rule curve changes. Again, we are trying to
5 seek to enhance the local and regional
6 socio-economic benefits in the southeast here.
7 We want to better use the storage. There is a
8 tremendous amount of storage, that I will show
9 in the next slide what we believe could be a
10 benefit in terms of mitigating drought impacts
11 or reducing the drought risks.

12 The third point is that we clearly
13 believe the potential environmental benefits
14 for the rule 13 that's being proposed offsets
15 the costs of what we incurred.

16 And finally, in the analyses that we
17 have seen so far with regard to flood
18 frequency and the downstream slough impact, we
19 believe you need to take a look at a partial
20 duration analysis. Not just use an annual
21 flood frequency analysis to assess the impact;
22 you need to look at the probably that floods
23 might occur during the winter months. We
24 believe the probably is much less than flood
25 control curves show in the marsh rainy season

1 than early in the summer.

2 So here is the proposed rule curve
3 changes that we are putting forth. We would
4 like to raise the so-called winter pool level
5 to 486 MSL, which is 485 Martin Datum. And we
6 would like to raise the pool earlier to the
7 so-called summer pool by 1 April, I believe,
8 that's what someone earlier proposed, and set
9 it to mid October. Again, trying to use the
10 best time of the year weather-wise for all
11 kinds of recreation use, fishing, sailing,
12 just enjoying boating because there is very,
13 very beautiful weather during the fall on the
14 lake.

15 We also propose that the operating
16 guide curve and the drought contingency curve
17 be raised too to, again, provide greater
18 storage, if you will, for other uses around
19 the lake and also downstream. The problem we
20 had last year with the drought, we didn't have
21 the water we could use to satisfy some of the
22 other downstream needs. We believe if we
23 maintain some of the storage here you would
24 have that capability.

25 This just briefly shows if you take

1 the rule curve, the existing rule curve and
2 look at the flow exceedence curves for each of
3 the months, the peak or the maximum flow based
4 on the flow exceedence curve, the abundance
5 during the winter months and the tremendous
6 amount of storage available is far greater
7 than the maximum inflow that occurs during
8 that particular month.

9 Now, this is the data given -- the
10 equivalent volumes here and this will change
11 rapidly with floods, but the point is there a
12 lot of storage capacity now. We believe the
13 Project operation should change at least to
14 accommodate the higher winter pool. When you
15 get into the summer months what's important is
16 that there is no storage and you have got
17 considerable risks there with regard to
18 tropical storms and hurricanes. So with the
19 rule curve there now there's a lot of
20 operating storage before that group. If you
21 could only see the difference between excess
22 storage we believe during the winter, by
23 having what you have so far versus what you
24 have in the summer, where have commonly
25 various topical events that might pass through

1 the area.

2 Our water quality concerns. Three
3 main areas. Nutrients and the eutrophication
4 effects on excessive nutrient loading.
5 Pathogens and sediment. These three areas
6 were identified as high priority at a
7 Tallapoosa Watershed Management Plan that was
8 published in 2005. It did an extensive
9 watershed assessment and we participated as
10 part of that and also the stakeholders and the
11 local folks around the area identified as key
12 concerns. You will notice in the upper left
13 there that's not an algal bloom or an algae
14 that is occurring along the shoreline. This
15 is an upper beta area on one of the
16 tributaries coming into Lake Martin. The
17 sediment is also coming into one of the key
18 tributaries in Martin there at your upper
19 right.

20 And you notice that little area on the
21 bottom that's a bryozoa. This is an area
22 which we call hypereutrophic. That's the
23 amounts of nutrient loading from a --
24 primarily to a point source here and you can
25 see where it's -- in terms of water quality, I

1 don't think you want your kids around that.

2 That's Cold Creek by the way.

3 Now, to summarize this the next slide,
4 our organization was involved in a study with
5 researchers from other Auburn University and
6 the University of Alabama called the
7 Tallapoosa Watershed Project. It was a
8 three-year study, two years of which focused
9 on nutrient-loading and the effects to both
10 Lake Harris and Martin. The point I am trying
11 to make here, the reddish, yellowish colors
12 that you can see on this chart, that
13 identifies areas where you have sedimentation
14 occurring. We have higher concentrations of
15 Chlorophyll and they are primarily again in
16 the upper embayment areas of the tributaries
17 coming into the lake. You will notice to the
18 south and east -- I think that's how we took
19 the tour the other day -- you don't have those
20 impacts, those various areas in the yellow and
21 the part in red. Our concern is that when we
22 do the water quality studies that we take a
23 more in-depth look at some of these embayment
24 areas and make sure that the rule curve
25 changes that are proposed do not exacerbate

1 some of these effects that we are now seeing
2 through the area. And in doing so we hope
3 that there will be a higher density of
4 sampling done in these areas.

5 Finally, the one thing that ties into
6 several of the plans is adaptive management.
7 During our preliminary meetings with the
8 Alabama Power Company they had talked about
9 adaptive management with regard to water
10 quality. We think that in the final license
11 that there should be provisions that focus on
12 environmental assessment, or at least one of
13 it's focuses on the environment every ten
14 years to look at whatever impacts the rule
15 curve changes may have on the environment,
16 especially the water quality and the habitat
17 effects that may occur. We also watched the
18 Alabama Power Company monitor these
19 tributaries and embayments and sloughs and it
20 looks like they are not only DL and do so in a
21 much more intensive manner than they have in
22 the past. Our organization would like to help
23 them do that. We have great water quality
24 monitors. They are a low-cost organization.
25 They follow protocol, EPA-approved protocols.

1 So we would like to partner with them in that
2 effort.

3 The next point, reassess impacts of
4 operation changes with the new curves. This
5 change effects each one of those items that I
6 have listed there as part of the focus
7 investigation.

8 And, finally, I think you need to
9 reassess the changes in the water/storage use
10 demands locally and downstream for ten years.
11 Things are changing rapidly in this region.
12 The water demands are changing rapidly. We
13 are in the midst of a state-wide water
14 management effort. There is a legislative
15 bidding that's now looking at changing water
16 quality and trying to incorporate in there
17 what the protection is for in this event. All
18 of that would be beneficial uses of the water.
19 And I think we should re-look at this and not
20 have a license to sets us in for 30 or 50
21 years. I think that's really important and
22 another reason why we feel we need to come
23 back in ten years and look at those. That's
24 it. Thank you very much.

25 MR. EMERY: I am going to have a

1 couple of questions for you. Obviously, you
2 are going to provide a written documentation
3 of what's in your report and also any studies
4 or information that you have that would
5 support your report. You mentioned several
6 documents and other stuff; the watershed
7 management plan. I don't know what year that
8 ACT draft TIS was. I don't know if it's still
9 available.

10 MR. GLASIER: Yes, all of those are
11 available. We have provided our copies of the
12 watershed plan, the Tallapoosa Watershed plan,
13 all of our annual reports from our Tallapoosa
14 watershed quality study and the data from that
15 has been provided to the Alabama Power
16 Company. We can provide that EIS. That's
17 available.

18 MR. EMERY: How old was that EIS, the
19 draft data --

20 MR. GLASIER: I think that it was --
21 1998, I think is when the draft was pretty
22 much was done, but parts of it kind of
23 lingered into the early 2000s. But I believe
24 the bulk of the study -- and it was comprised
25 of the comprehensive study that done by the

1 three states that were involved in the early
2 so-called water wars issues.

3 MR. EMERY: You use some pieces of
4 data from that EIS in your presentation,
5 right?

6 MR. GLASIER: Yes.

7 MR. EMERY: Okay. Some backup on that
8 would be great. The HOBOS, you would like to
9 see the FIMS study perhaps updated. What
10 would something like that cost? It was done
11 in 1991, I think it was.

12 MR. CUNNINGHAM: That was published, I
13 believe, in 1997. The surveys were done in
14 the early '90s. I was a one of the survey
15 recipients as a homeowner.

16 MR. EMERY: What would something like
17 that cost?

18 MR. CUNNINGHAM: I don't have an
19 answer off the top of my head, but that is
20 being proposed as one of the study plans and
21 we endorse that, instead of using that as a
22 baseline, instead of trying to do it as an
23 entirely separate study.

24 MR. EMERY: Okay. Water Resources.

25 MR. BRONSON: I am Dick Bronson with

1 Lake Watch and representative of the 300
2 members at Lake Watch. We have been around
3 since 1991 or '92. Our interest is water
4 quality and that's really our interest. The
5 quantity to the degree that it effects the
6 quality. But certainly our affiliation with
7 Auburn University and the wildlife program
8 there is circumstantial to what we do. We
9 have been involved with looks at lake levels
10 for several years. We have spent more time
11 than probably half our lives, it seems like,
12 in the water wars meetings and they were not a
13 whole lot of fun sometimes. But my interest
14 today is to sort of focus on one part of this.
15 John sort of touched on this. The Lake Watch
16 interest and request of ADEM -- and I see Lynn
17 Sisk and Fred Leslie are here from ADEM, so
18 that's good. We have requested about a
19 year-and-a-half ago, we, at Lake Watch, to get
20 Lake Martin designated as an OAW, Outstanding
21 Alabama Water. It is the top tier, I was
22 told, of the seven largest classifications
23 that ADEM uses, even above water supplies. So
24 it's a pretty high level of water quality
25 requirements to meet OAW. We requested that

1 then. There are folks who are looking into
2 some degree at it. We think it would have an
3 incredible economic impact on this region to
4 have Lake Martin designated as OAW. That
5 would be -- I guess, it would be the only lake
6 or reservoir in the state that would have
7 that. It would be win/win for everybody, I
8 believe.

9 One of the problems on this is the --
10 there may be and probably are some holes in
11 the data that is necessary for ADEM to
12 consider OAW. And that's where the licensing
13 comes in. We believe -- and I think, Jim,
14 it's part of one of the study plans that the
15 local -- where are the data of gaps that may
16 be necessary for ADEM to complete the role
17 check of OAW for Martin.

18 So my point here is to really
19 encourage that and keep it in the study plan
20 and push it as hard as we can to them or
21 anybody else. And then to follow up on John's
22 offer that we do have a pretty good number of
23 volunteers who are old, like me -- some of
24 them are older than me, but some of them are
25 close. But we are stakeholders. We live on

1 the lake. We care about it. And we are
2 available to help Jim and his folks to do
3 water quality study as necessary for the other
4 parts of the relicensing process. But if he
5 can use that to fill the gaps on the water
6 quality data for ADEM, that is really win/win.
7 So that's my point.

8 MR. EMERY: Thanks. Others on water
9 resource?

10 (No response.)

11 MR. EMERY: Okay. Let's move on to
12 the next resource issue. That's Aquatic
13 Resources; page 16 of the scoping documents.
14 Fish passage and effects of project operation
15 on movements of migratory fish in the
16 Tallapoosa River.

17 Effects of current operation and
18 proposed rule curve changes on the movement of
19 striped bass into thermal refugia in Lake
20 Martin during the summer and fall periods of
21 the year.

22 Effects of proposed project operations
23 on near shore aquatic plants and aquatic
24 habitats in Lake Martin.

25 And the effects of operational changes

1 on fishery resources in project affected
2 waters downstream from Martin Dam, including
3 the Tallapoosa River immediately downstream
4 from Thurlow Dam. Okay. Who wants to be
5 heard on the aquatic resources?

6 MS. HALL: This is April Hall, Alabama
7 Rivers Alliance. I wanted to reiterate a
8 concern that has been brought up in the past
9 year-and-a-half of this process, and that is
10 the connectivity of tributaries as it relates
11 to aquatic habitat. The kinds of things that
12 we are concerned with include the health of
13 the isolated fisheries and habitat in the
14 tributaries and especially how the reservoir
15 can act as a barrier to intertributary
16 movement. And those impact -- I am not an
17 engineer trying to talk about biology, so I
18 hope I don't offend any of you biologists out
19 there. Just the genetic variability of the
20 isolated populations, in addition to the
21 importance of the fish that act as hosts that
22 support the mussel population. We have
23 requested studies that look at the help of
24 these native tributary populations of fish and
25 we request that that study be included in part

1 of the relicensing. And I did not see it in
2 the list of the proposed studies.

3 MR. EMERY: Jim, any comment on that?

4 MR. CREW: We typically throw away
5 April's stuff. No, seriously, for the record,
6 that was just a joke. I don't really remember
7 that one specifically. I know we just got
8 through the process of having a lot of
9 additional study requests and through our
10 evaluation and work with MIGs determined what
11 we felt was appropriate.

12 MR. EMERY: If you could kind of give
13 us a little more detail, it's kind of a big
14 picture sort of thing. If you could be a
15 little more specific in a follow-up written
16 comment on the specific item it would be very
17 helpful to us. I remember something similar
18 to this on the Warrior Project that I recall,
19 but the more specific you can be with examples
20 would be helpful. Obviously, this Project
21 generally except for an existing condition can
22 go forward. But the more specifics you can
23 give the better the chances are of something
24 being done on that particular concern.

25 MS. HALL: We would be happy to submit

1 something.

2 MR. EMERY: Others on aquatic?

3 MR. CONWAY: My name is Ken Conway;
4 lake Wedowee Property Owners' Association. I
5 am a homeowner on Lake Wedowee. I would like
6 to address on page 16, 4.23, the part
7 regarding effects of Project operation and
8 operational changes on fishery resources in
9 Project-affected waters downstream. Of
10 course, this is --

11 MR. EMERY: You are upstream, right?

12 MR. CONWAY: Yes, I am upstream, but
13 downstream impacts us in terms of outflow.
14 And just from a fisherman -- from a homeowner
15 in Lake Wedowee or R.L. Harris, as you know
16 it, I think it's unreasonable during periods
17 of drought to impose minimum flows whether for
18 navigation, for paper mills -- and regarding
19 paper mills, I am retired from Georgia
20 Pacific, which has 22 major paper mills in
21 this county. I have physically worked at five
22 of them. They are the largest manufacturer of
23 tissue products in the United States. They
24 have two large mills in this state. But I
25 think it's unreasonable to expect Alabama

1 Power to discharge a flow far in excess of
2 whatever is coming in over a long period of
3 time. Do you follow me there?

4 MR. EMERY: Yes.

5 MR. CONWAY: So I understand the curve
6 and I understand the rules, but when the water
7 is not there, to expect you to completely
8 drain the lake to maintain sail water, affect
9 a mill or whatever --

10 MR. EMERY: That is the extreme
11 position. We do grant waivers. I have seen
12 three this year for the Yancy Project, for
13 example, in North Carolina.

14 MR. CONWAY: My other point is this
15 also directly impacts the economy. For
16 example, just last week we lost one of our
17 majority restaurants in Wedowee through the
18 impact of lack of tourism dollars last summer
19 followed by the lack of tourism dollars this
20 summer because of the gas situation. And
21 through two long negative summers where their
22 restaurant business was way down from what it
23 was three years ago, they weren't able to make
24 it and they closed the doors Friday. So there
25 are other economic impacts on the

1 transportation issue in terms of strength load
2 upstream. Thank you.

3 MR. EMERY: Thanks for your comment.
4 Others on aquatic resources? Any other
5 comments?

6 (No response.)

7 MR. EMERY: I see none. We will move
8 forward. Next the is Terrestrial Resources.
9 We have two bullets for that one. The effects
10 of potential changes to pool elevations on
11 bottom land hardwoods, wetlands, riparian
12 vegetation and associated wildlife within the
13 Project boundary. The effects of potential
14 changes in pool elevations on terrestrial
15 resource management plans, and in controlling
16 the invasive aquatic organisms and plants.

17 (No response.)

18 MR. EMERY: Okay. We got that one
19 covered. The next one is Rare, Threatened and
20 Endangered Species. There are two bullets.
21 It starts on page 16 and goes to 17 on the
22 scoping document. The effects of Project
23 operation and maintenance activities on the
24 state and federally-listed RTE, species that
25 may occur within the Project boundary and/or

1 within Project-affected waters, and the
2 effects of potential increases in recreational
3 activities within the Project boundary on all
4 potentially occurring RTE species, including
5 those affected by any changes in Project
6 operation. So RTE species comments anyone?

7 (No response.)

8 MR. EMERY: Looks like we got that one
9 covered with these two bullet points. The
10 next one is Recreation and Land Use. There
11 are three bullets. The effects of the
12 proposed Shoreline Management Plan and the
13 continuation of the shoreline permitting
14 program on land use practices within the
15 Project boundary, and the effects of the
16 proposed operation and potential changes to
17 pool elevations on recreational resources,
18 including boating and fishing. The ability of
19 the existing and proposed recreational
20 facilities and public access sites to meet
21 current and future recreational demand under
22 the proposed Project operations and potential
23 changes to pool elevations.

24 I am sure we are going to have some
25 comments on this one. Who wants to be first?

1 MR. FOREHAND: Steve Forehand with
2 LMRA. We would like to comment on three
3 specific items in this resource area. Working
4 in conjunction with the marine police LMRA
5 installs and maintains buoys and markers at
6 Lake Martin. These buoys include both hazard,
7 and no wake and other miscellaneous warnings.
8 Our dedicated group of volunteers currently
9 maintains 369 buoys and markers on this lake,
10 many of which include navigation hazards.
11 LMRA would like to request that Alabama Power
12 Company study how some of these navigation
13 hazards could be removed to reduce the danger
14 level, at least during the times of the
15 greatest use of the lake.

16 The second area that we would like to
17 discuss concerns a regulation recently
18 proposed by the Alabama Department of
19 Conservation and Natural Resources. This is
20 referred to as a Proximity Regulation. This
21 regulation proposed that boats travelling
22 within a hundred feet of the dock or edge of
23 the water, a boat would proceed at idle speed.
24 LMRA would propose an addition of a study of
25 such a proximity regulation and it's effects

1 on both safety and erosion in Lake Martin.

2 The third area, Alabama Power Company
3 currently administers certain dredging limits
4 in Lake Martin. These dredging limits have
5 been in place for many years. Certain areas
6 of Lake Martin have experienced large amounts
7 of sedimentation over the years since the
8 dredging limits were established. This
9 sedimentation has affected water depths and
10 thereby creating problems for safety
11 navigation and boat docking. LMRA proposes
12 adding to this study plan a study to determine
13 if we can increase the amounts of sediment
14 that can be dredged and removed from the lake.

15 MR. EMERY: Do you have specific areas
16 in mind for the dredging?

17 MR. FOREHAND: There are a great many
18 specific areas. Probably too numerous to
19 list, but we can give you specific areas. I
20 know some of our members have commented -- the
21 long-time residents of the lake commented that
22 they had experienced close to a two-foot
23 change in depth near the dock as a result of
24 sedimentation over the years.

25 MR. EMERY: Is it the upper end or

1 lower end?

2 MR. FOREHAND: I believe that's going
3 to apply to all areas of the lake.

4 MR. EMERY: Is that issue being looked
5 at in one of the study plans?

6 MR. CREW: Yes.

7 MR. EMERY: The sedimentation.

8 MR. FOREHAND: The sedimentation is.
9 I don't know if dredging limits are
10 specifically being considered.

11 MR. EMERY: I am not an expert at
12 this, but I think the boating aspect is state
13 controlled and not up to licensee.

14 MR. FOREHAND: I think that's right.
15 LMRA proposed adding a study of such a
16 regulation to determine how it may affect
17 safety and erosion.

18 MR. EMERY: Okay. Thank you. Anyone
19 else on recreation?

20 MR. JOHNSON: My name is Rick Johnson.
21 I am with the Alabama Department of
22 Conservation and Natural Resources. And this
23 may not be exactly where I need to bring this
24 in, but this is in regard to the land use and
25 development within the project lands of Lake

1 Martin. Our concern is, how do we best
2 determine a -- say, a buffer zone in light of
3 the zone or repairing the zones to protect the
4 wildlife, terrestrial wildlife, the herbs, the
5 fisheries and overall points of pollution to
6 the lake and to the overall details of the
7 Project? And I don't know if this is a need
8 that we can sit down and negotiate this.

9 MR. EMERY: It could be a component of
10 the shoreline.

11 MR. JOHNSON: Are there past studies
12 that we could use or do we need to determine
13 to use the study to best determine how to come
14 up with the best protective shoreline
15 management plan?

16 MR. EMERY: I think at this time you
17 need to talk with Alabama Power on the study
18 plan and see if it's part of the development
19 of the shoreline management plan that they are
20 proposing to the plan or program, the kind of
21 suggestions that you have. It seems to be an
22 appropriate place for them.

23 MR. JOHNSON: I would like for the
24 shoreline management plan, that would be an
25 effective place -- would be the best

1 management practices.

2 MR. EMERY: Okay. Any other comments?

3 MR. CUNNINGHAM: I am Joseph
4 Cunningham with the Lake Martin HOBOS. From a
5 shoreline development standpoint we have
6 examined the maps provided by Alabama Power
7 Company in the spring or this summer or
8 whatever, and they appear to be nothing that
9 we have any objection to at this time. I will
10 put that little qualification in there. But
11 one thing with the shoreline development that
12 I think we would like to participate in and I
13 feel, hopefully, that we will get that
14 opportunity, is in the regulations and the
15 permitting, particularly of commercial-type
16 projects that come to the lake.

17 We have got some areas on the lake now
18 where projects were permitted that really you
19 have got an over-population in a very small
20 area. We've got some projects that are
21 under-development that have up to 50 homes
22 utilizing a three or 400-foot shoreline. And
23 I think Alabama Power has made an effort to
24 correct the shoreline permitting there to
25 restrict what they can put on the shoreline.

1 And that's good. I would hope that that would
2 become part of a study and we will continue to
3 participate in that.

4 From a recreation standpoint, Alabama
5 Power commissioned a study in 2007 for
6 recreation. Unfortunately, it was the worst
7 drought in the recent history of this lake.
8 And, as a matter of fact, they had to abandon
9 the study in October when they realized that
10 no one could utilize the boat ramps anymore.
11 And this recent meeting that we had with the
12 power company, they mentioned that they wanted
13 to somehow utilize that study and I think that
14 would be a disservice to lake Martin.
15 Particularly, since these studies tend to pop
16 back up at the most inopportune times. We
17 discussed with them the need to conduct a full
18 economic impact analysis of the lake and there
19 never has been one done. The FIMS study was
20 an effort to do that, but it was done 15 years
21 ago when this lake had a totally different
22 complexion than it has today.

23 And we need to recommend that if they
24 do seek to use the FIMS study and update the
25 FIMS study that it be very comprehensive and

1 give us a document that whatever the outcome
2 of the document, we will accept that because
3 we have a secure feeling that the economy of
4 this area strongly depends on the lake and the
5 lake levels. So that is one thing that we
6 really feel strongly about.

7 A couple of things that are worth
8 mentioning from an economic standpoint is that
9 this lake has got 6,840 individual properties
10 on it. That is taken from the tax records of
11 the three counties that make up Lake Martin.
12 And we did a little research and in Tallapoosa
13 County alone 43.3 percent of all revenue
14 received from property taxes from the county
15 comes from lakefront homes. And this is a
16 factor that needs to be considered, not only
17 by FERC in making decisions about the lake,
18 but also our local governments. And they need
19 to realize, you know, just how important this
20 lake is to the economy of this entire area.
21 It has been the economic engine for the area
22 and it continues to be and becomes more and
23 more every year.

24 Now, along that line we have got to
25 call the president of the StillWaters

1 Association that would like to make a few
2 comments.

3 MR. EMERY: Before that I have a
4 couple of questions. You stated 43.3 percent.
5 Did you have a source for that or did you name
6 the source for that?

7 MR. CUNNINGHAM: That source comes
8 from the revenue commissioner for Tallapoosa
9 County. It's 2007. I don't think the 2008
10 numbers are out yet.

11 MR. EMERY: And the other question
12 would be: Are you proposing now or is Alabama
13 Power involved with pursuing a repeat of the
14 2007 study that was not completed because of
15 the drought conditions?

16 MR. CUNNINGHAM: The only possible use
17 that we feel that that study offers -- and it
18 does have a value, the value that it has is
19 what happens to the economic value of this
20 lake when you got no water. And from that
21 standpoint -- or when you choose to dredge in
22 the middle of a drought -- you know, that
23 study will definitely serve a purpose for
24 that. But to prove the economic value of this
25 area, it serves no purpose. The attempt was

1 good; the timing was not.

2 MR. EMERY: I am going to Jim Crew for
3 that. What's the status of that particular
4 study that was that terminated too soon
5 because of the drought conditions?

6 MR. CREW: This is one of our favorite
7 subjects with Jesse. We have talked about it
8 many times. And, actually, as a result of
9 discussion with not only Jesse's group, but
10 also LMRA over this specific issue, and that's
11 trying to use the data that was collected in
12 '07, unfortunately when you are planning for
13 that you don't really anticipate the worst
14 drought in history when you are collecting
15 that data. But it occurred, nevertheless.
16 And our initial thoughts were to try to take
17 advantage of what we had done and adjust that
18 data using some appropriate other information
19 to make it a conservative, but somewhat
20 realistic estimate of those numbers. But I
21 will tell you as a result of, even recent
22 discussions with these two organizations,
23 we've about come to the conclusion that we --
24 given that this information has the potential
25 to be used in many different ways and are real

1 beneficial in a lot in different ways, we've
2 come to the conclusion that we are about ready
3 to just go ahead and do a new study.

4 Just, again, realizing we hate not to
5 take advantage of what we had already
6 collected and the resources that were expended
7 there, but again, understanding and realizing
8 how this information could be used even beyond
9 relicensing and the value of that, we have
10 basically come to the conclusion that we are
11 investigating actually doing a full-blown FIMS
12 update. Very large scale. And along those
13 same lines we might be looking for partners to
14 assist with that effort, because I think you
15 mentioned something about cost earlier. Our
16 preliminary estimates are about a
17 half-a-million to do a full-scale exhaustive
18 type of analysis and data collection that I
19 think Jesse is talking about.

20 So again, I think the Lake Martin
21 HOBOS and LMRA have pounded on us pretty well
22 and made their point pretty clear, and I think
23 we are realizing the value of that
24 information. But, again, we may be looking
25 for and would appreciate partners in

1 undertaking a fairly comprehensive study of
2 this. And it's going to have to be done
3 pretty quickly too.

4 MR. EMERY: It seems like that would
5 be very useful information, not just for
6 Alabama Power but for the state. And the
7 other data would be helpful in looking at your
8 fluctuations for extended summer, extended
9 winter pools kind of things to help define
10 what economically would be associated with
11 that, as well as usage.

12 MR. CREW: Right. That's what we have
13 basically come around to that that's what
14 needs to be done and we hope to find partners.
15 And, Kelly, did you have a comment?

16 MS. SHAFFER: Yes. Kelly Shaffer.
17 For the records, the 2007 recreation study was
18 only to look-at use. It did not assess
19 economics. So it's not an apples to apples
20 comparison.

21 MR. SAMMONS: My name is Steve Sammons
22 with Auburn University and I wanted to get on
23 while he was still on the microphone, but just
24 to make a comment. When you do this other
25 study and what you were saying, I realize you

1 want to make this even bigger and more
2 comprehensive, which is a great idea. But
3 make sure whoever designs this for you
4 understands that you want it to be ultimately
5 comparable to the federal status studies. You
6 know what I mean, the methods have to be so
7 you can compare those numbers. So you are not
8 doing something so conclusive that you can't
9 compare to the other seven numbers. And the
10 reason why I am up here saying this is, not
11 only is this going to be a great thing to look
12 at for Lake Martin and for your other
13 projects, but I can see this data being
14 something that you could use for your benefit
15 down the road with ongoing water wars. I
16 mean, Atlanta is not going to stop until they
17 get to our state line. I mean, this is
18 something that you can use and say, look what
19 you are doing to our resources if you keep
20 taking all of the water. So I am just making
21 that point. That is so cool that you can have
22 that data. But just by accident sometimes
23 things like that are not to our benefit and
24 sometimes they are to our benefit. And you
25 happened to, just by happenstance, to try and

1 do a new study during one of the worst water
2 years of the last 50 years. And at one point
3 you go, oh, that's horrible. But actually,
4 that might work to our ultimate benefit.
5 Because, as you know, this issue is not going
6 away. And it's far past the Tallapoosa
7 drainage. I mean, it's going to happen all
8 over the place.

9 We are seeing this more and more and
10 more. When I am not doing my university
11 duties, I am also the chair of the Reservoir
12 Commission of Hunting and Fishing for the
13 American Fishing Society. And water
14 withdrawal and allocation is probably rapidly
15 becoming the number one issue -- in the
16 reservoir memoir -- fishing is starting to
17 become like three or four. I really think
18 that's pretty great if you guys get that data.

19 But I wanted to make sure that -- you
20 know how it is when you get somebody designing
21 a new study, they get all excited about doing
22 the best thing ever. But just make sure they
23 don't drive it away to three years down the
24 road and you go, well, now we can't compare
25 them.

1 MR. EMERY: What affiliation do you
2 want to be known for today?

3 MR. SAMMONS: Auburn University.

4 MR. CUNNINGHAM: I began to introduce
5 Cal Johnson, who is president of the
6 StillWaters Residential Association. He had a
7 few comments that are appropriate to this
8 title.

9 MR. JOHNSON: Thank you. I am Cal
10 Johnson representing the StillWaters
11 Residential Association, later to be known in
12 this as SWRA or the StillWaters Community.
13 StillWaters is a single word. Or the
14 Community.

15 I come to you with some information,
16 reports from various organizations that I
17 represent, in addition to SWRA. I am a past
18 president of the Dadeville Area Chamber of
19 Commerce and sat on the group known as the
20 Lake Martin Economic Development Alliance that
21 formed a strategic plan for this area. And my
22 concerns today represent all of these
23 organizations. And I am also a realtor. And
24 as a realtor of the Lake Martin area we are
25 also representing three counties that surround

1 Lake Martin. So we see all of these same
2 issues coming up in different discussions and
3 it's very important that we highlight them. I
4 have prepared remarks for you today. I will
5 provide those after. I have four
6 recommendations and I would like to hit on the
7 main points in those four recommendations.

8 First of all, you may not know the
9 StillWaters organization was created in 1969,
10 more than 40 years ago. It went through great
11 stages of growing pains. It is very
12 successful. It now has a golf course, a
13 marina, wet and dry storage, a gasoline
14 island, a Gulf station, Ship's store,
15 residences on and off the lake, condominiums,
16 full-time and part-time residences, and rental
17 space.

18 We do have some concerns as the
19 proposed -- we just propose the lake level and
20 some things that happened that concern us,
21 because we are in the development business and
22 the recreation business. It's very important
23 that we highlight the things that are on our
24 minds. Some of these items are quantifiable
25 and some are less quantifiable, so I have

1 broken them down into two parts.

2 In the quantifiable area it's
3 important to note that we have got now 1,761
4 homes and condominiums and parcels in
5 StillWaters. We also have an additional 100
6 or so commercial parcels in StillWaters. We
7 have about 1,550 parcels. They are all taxed
8 at various structure and we should talk about
9 that a little bit in more detail as Jesse
10 mentioned earlier. What's interesting is that
11 we have 554 homes and 381 condos. What's also
12 interesting is that that number has increased
13 by 250 in the past three years. That's a five
14 percent increase per year. Conservatively in
15 the margin I wrote two percent. It's really
16 two to five percent. I predict that at the
17 very least we have a two percent growth over
18 the next several years. And in actuality,
19 when I did the numbers on paper I know of 35
20 zero to lot line homes that are under
21 development very, very soon and an additional
22 possible 75 homes and condos being sold that
23 are already built. They just need to be
24 finished out. And some is showing great
25 interest in the additional 75 homes on the

1 undeveloped parcels.

2 We are already looking at 300 homes to
3 be built in the next three to seven years. So
4 the two percent is on the conservative side.
5 StillWaters, as a community, represents about
6 501 percent of the towns. So take the numbers
7 that we had from an earlier comment and we are
8 saying that if we were to grow 35 to 45 homes
9 per year -- and that's about what we are
10 doing, except in the last two years it's been
11 80 homes per year. If you take that
12 conservative number and cut it in half,
13 basically, and use the 40 to 45 number, we are
14 looking at 400 to 450,000 dollar value per
15 home and that's not counting the lot. We are
16 looking at about a 20 million dollar increase
17 per year from what is happening in
18 StillWaters. That could be as much as 40
19 billion dollars official tax base. Right now
20 we are paying 1.2 million dollars in taxes in
21 StillWaters. That's about seven percent of
22 the total tax throughout that's going to the
23 county. That number is going to increase
24 almost exponentially over the next decade.

25 I would like to remind someone if they

1 haven't gone back and looked at the 2007 U.S.
2 census, you will see the greater increase of
3 retirees in this particular part of the United
4 States is going to be twice the national
5 average. So we need to be looking at the
6 retiree inputs. It's going to hit this area
7 one day that it's a recreational and
8 retirement community, in particular the
9 StillWaters area.

10 Market value right now in StillWaters,
11 we have 332 million dollars worth of property.
12 That's a significant number. And that's only
13 in the county. Remember, this is a
14 three-county area around the lake. Lake
15 Martin has some less quantifiable areas and
16 talk about the quality life, expectations, and
17 life-long contributions by the community. We
18 have great viable organizations to include the
19 StillWaters Yacht Club. We have the Gardners'
20 Associations, retirement groups that are
21 making contributions to our lake area and are
22 very interested in the quality of the water
23 and the quantity of the water.

24 We also know that if the pool was
25 extended for a period of time that would

1 greatly increase the, not only the
2 recreational activities but, in fact, market
3 value of the properties. And that's where we
4 are coming from in the StillWaters. We also
5 know that our population could double in less
6 than ten years. We think we are a gateway
7 community to Lake Martin and we want to be
8 sure that the people out on the street know
9 that when they come here we have some
10 shortfalls. Some of the shortfalls are access
11 to the lake, lack of boat ramps, lack of boat
12 trailer and storage facilities, and things
13 that are valuable that we are not able to fix
14 without help. We need the help of those
15 outside the community to perhaps make this a
16 completely viable community for those in the
17 area and those moving to the area.

18 Core recommendations first is provide
19 a longer full pool or near full pool lake
20 level, increasing activity, market value and
21 attracting more permanent residents to the
22 community. Ensure resident and public access
23 through a "StillWaters Gateway" by
24 capitalizing on StillWaters-Lake Martin
25 strengths, such as a viable marina, a vibrant

1 StillWaters Yacht Club and growing condo and
2 home sales.

3 And we talked about public parking and
4 boat ramp access. We need both of those
5 things and we need to deal with them quickly.

6 Recommendation three, ensure increased
7 market value of StillWaters development
8 initiatives through the issues that have been
9 brought before you today in both StillWaters
10 Community and Tallapoosa County and the Lake
11 Martin Relicensing Program.

12 We believe that performing an economic
13 analysis of the lake level versus parameters,
14 development, market value, year around use and
15 the use of predictable and supportable rate
16 level will greatly enhance our market value.

17 And fourthly, ensure coordination
18 between the Martin Relicensing Program and
19 some already well-paid-for activities and
20 studies done by the Lake Martin Area Economic
21 Development Alliance through its strategic
22 plan and implementation program. Hundreds of
23 thousands of dollars have already been spent
24 on that study and we think it would be a
25 tragedy to not take advantage of the

1 integrated variables in that paid-for study by
2 experts from outside the area. And that would
3 specifically identify the 280 corridor to
4 serve as the entry to Lake Martin from
5 Birmingham, Atlanta and points south. And
6 thank you very much for your time on this.

7 MR. EMERY: That last thing you
8 mentioned, will that be provided?

9 MR. JOHNSON: I can do that as an
10 attachment.

11 MR. EMERY: You said you want
12 StillWaters access. What's the current
13 closest public access to StillWaters at the
14 time?

15 MR. JOHNSON: It's a boat ramp by
16 water, which is 30 minutes. And by land it's
17 about five to ten minutes away on Highway 34.

18 MR. EMERY: And the type of access you
19 want would be a boat access ramp?

20 MR. JOHNSON: We would like to think
21 there might be an access that close to the
22 StillWaters community, yes. There is a boat
23 ramp within the private sector in the
24 StillWaters marina. We are not aware of the
25 licensing of that boat ramp and how it's being

1 handled.

2 MR. EMERY: Do you think you could
3 provide that?

4 MR. JOHNSON: I can. We have gotten
5 rough numbers. It's over \$12,000.

6 MR. EMERY: In your written comments
7 incorporate that. Thank you.

8 MR. JOHNSON: Thank you.

9 MR. EMERY: Any other comments?

10 MR. LANIER: My name is Jim Lanier. I
11 represent the Cherokee Ridge Alpine Trail
12 Association. We are non-profit; we all are
13 volunteers. And we are dedicated to build
14 hiking trails along Lake Martin, specifically
15 in the area north of Martin Dam.

16 Our request doesn't have any affect on
17 winter pool, summer pool, or anything as far
18 as that but, of course, a higher pool does
19 enhance our hiking experience, because we do
20 have approximately four miles of trail along
21 the shoreline of Lake Martin on Project land.
22 We currently have 11 miles of hiking trail,
23 which we consider it to be the most scenic
24 trail in the state. And if you look over on
25 the poster board we have just a few of them.

1 Seven of the photographs are the scenes from
2 this trail. What we are proposing today is
3 that we would like to have Alabama Power
4 Company swap some corporate land that is
5 adjacent to the trails that we have on Project
6 land, swap its corporate land, make it Project
7 land and move some of the other Project land
8 that is not conducive for hiking trails.

9 This is a beautiful piece of property.
10 It has a steep graphic creek called Wind Creek
11 that is -- you would think it was in one of
12 the north -- Georgia or North Carolina. It's
13 just a beautiful area. There are also
14 waterfalls on this property. This property is
15 approximately 700 to 800 acres. And contrary
16 to what Jim said at our last meeting, our
17 organization does not want all of the property
18 that Alabama Power Company has. Only 700
19 acres. But anyway, this is -- on a serious
20 side, we have been in operation -- this is our
21 fourth year and it has been an overwhelming
22 success. We have people who have hiked from
23 every state in the nation and several foreign
24 counties. We have a folder of trail log
25 sign-in sheets where thousands of people have

1 hiked it. And I would like for you to look at
2 some of the comments that we have over here
3 next to our photographs of people who have
4 hiked the trail. We have had good publicity
5 from Lake Magazine, Lake Martin Living and
6 they have given us some rave reviews on this.
7 Any questions?

8 MR. EMERY: I have a couple of
9 comments. Number one, are you going to
10 provide some smaller hard copies? Do you have
11 any written comments on your comment?

12 MR. LANIER: Yes, I do.

13 MR. EMERY: Will you provide pictures?

14 MR. LANIER: Yes.

15 MR. EMERY: That kind of thing would
16 be helpful for the record. Do you have any
17 estimate of the number of visitors? You might
18 provide that in written comment. Is it 10,000
19 or 2,000?

20 MR. LANIER: Probably since we have
21 opened the trails probably 8 to 10,000 have
22 hiked it.

23 MR. EMERY: And the swap of 700 acres,
24 that's equal 700 for 700.

25 MR. LANIER: It's -- that's fine with

1 us as long as we could get all of that piece
2 of property.

3 MR. EMERY: Any other comments? Thank
4 you very much. Okay. Let's move on to the
5 Cultural Resources. One bullet. The effect
6 of the proposed action and alternative on
7 properties that are included in or eligible
8 for inclusion in the National Register of
9 Historic Places. Any comments on the cultural
10 resources?

11 (No response.)

12 MR EMERY: Okay. The Developmental
13 Resources. The effects of any proposed or
14 recommended environmental measures on the
15 Martin Dam Project economics, including
16 effects of any operational changes on the
17 project's power and capacity benefits.
18 Comments?

19 (No response.)

20 MR. EMERY: Okay. We have about 30
21 minutes. Let's look at the study plans that
22 are located on page -- it starts on 9. There
23 are 16 study plans. 9 through page 12. I am
24 not going to go through them one by one.
25 Those who have comments, thoughts, ideas,

1 suggestions, information gaps, or new studies,
2 now is the time to give me your two cents
3 worth and identify the study area. Anybody up
4 for that? Do we have them all covered?

5 MR. FOREHAND: Steve Forehand with the
6 Lake Martin Resources Association. We intend
7 to address the specific study in our written
8 comments. I think we have talked about each
9 one of them already.

10 MR. EMERY: Okay. Anyone else?
11 Remember, they have to show a nexus. And now
12 is the time to do it because it's very
13 difficult with the second study season. It's
14 much more difficult to dream up another plan
15 or study proposal. Okay. I have one
16 question. We have a couple of state DNR folks
17 here today. I saw something -- actually, it
18 was at the upper end of the Martin Dam
19 yesterday, gentleman fishing for catfish. I
20 thought it was interesting. I had never seen
21 that before. I know it's way down in the
22 south. But I think I saw that they had some
23 place about commercial fishing in Lake Martin.
24 Does that occur or is there anybody with the
25 state that could answer my question on that?

1 MR. NICHOLS: Very limited.

2 MR. EMERY: A couple thousand a year
3 or in terms of --

4 MR. NICHOLS: We don't have hard
5 numbers.

6 MR. EMERY: Anybody else? Any other
7 comments?

8 MR. CREW: I just wanted to say for
9 those of you that either did not provide
10 comments or said something positive about
11 Alabama Power, lunch will be provided for you
12 guys. Lunch is coming in. I think it's at
13 11:30. So lunch will be here in a few
14 minutes. Feel free to hang around.

15 UNIDENTIFIED MAN: I have one
16 question. You asked me during my presentation
17 or at the end to provide copies of the records
18 that I cited. I have provided copies of most
19 of those things for the power company. Do I
20 need to do the same for you?

21 MR. EMERY: The question was: He has
22 provided many of the records and his proposals
23 to Alabama Power, will he need to provide
24 those to us? As long as somehow it gets in
25 the record, whether it's through Alabama Power

1 or you, just ensure that we have some way to
2 look at that data. That's the important part.
3 Thank you very much for your participation and
4 ideas.

5

6 (End of proceedings at 11:21 a.m.)

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1 C E R T I F I C A T E

2

3 STATE OF ALABAMA)

4 JEFFERSON COUNTY)

5

6 I, Karen Kelley, Freelance Court
7 Reporter and Notary Public in and for the State of
8 Alabama at Large, do hereby certify that the above
9 and foregoing typewritten pages contain a true and
10 accurate transcription of the examination of said
11 witness by counsel for the parties set out herein.

12 I further certify that I am neither of
13 kin nor of counsel to the parties to said cause,
14 nor in any manner interested in the results
15 thereof.

16 I further certify that I am duly
17 licensed by the Alabama Board of Court
18 Reporting as a Certified Court Reporter as
19 evidenced by the ACCR number following my name
20 below.

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