

Lake Murray Homeowners Coalition
(address)

**Additional Comments on the Saluda Hydro Relicensing Operational
Procedures**

November 20, 2005

Mr. Bill Argenteri
South Carolina Electric and Gas Co.
Columbia, S.C. 29218

Re: Draft Operational Procedures

Dear Mr. Argenteri:

The Lake Murray Homeowner's Coalition (LMHOC) is made up of 22 homeowner associations and lake communities representing over 4000 lake residents. The Coalition is a Tier I participant in the Saluda Hydro relicensing process.

We have reviewed the draft Operational Procedures document and offer the following comments. The LMHOC endorses the recent comments submitted by the Coastal Conservation League and the additional comments prepared by Dr. Bill Cutler and submitted by the Coastal Conservation League, American Rivers and Lake Murray Watch- with one exception. We recommend that the Saluda Hydro Relicensing Group consider further modifying the Relicensing Mission statement.

The Saluda River Hydro Project was approved and built for the public benefits of hydro generation, recreation, fish and wildlife resources, and other public benefits including aesthetic values. According to the Federal Power Act, the FERC will approve a new license proposal "best adapted to serve the public interest." It is critical that in this relicensing process we do not lose sight of that fact. In simple terms SCE&G is requesting permission from the public (stakeholders) to continue using public water as a free energy source, and to manage other public resources for the next 30 to 50 years. Part of our involvement in this process is to consider everyone's needs including SCE&G's and determine whether those needs will result in public benefits if implemented into a new license plan. Our mission is to work with the relicensing group with the goal of developing a new license application "best adapted to serve the public's interest" as required by Federal law. We recommend the following:

Take out "of those issues that accounts for the needs of SCE&G and the quality of the resource" and replace with "with the ultimate goal of developing a license plan best adapted to serve the public interest".

"SCE&G will manage the Relicensing Process through collaboration with state and federal resource agencies, non-governmental organizations,

special interest groups and other interested stakeholders. This collaborative consultation process will be used to gather as well as disseminate information. The objective will be to learn from, as well as educate, stakeholders on the issues and come to a balanced settlement of those issues that accounts for the needs of SCE&G and the quality of the resource. To accomplish this, SCE&G will (1) establish, maintain and improve a solution-discovery process and organization, charged with creating a Relicensing Agreement, and (2) apply the solution-discovery process and organization to create a Relicensing Agreement and get it approved.”

The modified version would read,

“SCE&G will manage the Relicensing Process through collaboration with state and federal resource agencies, non-governmental organizations, special interest groups and other interested stakeholders. This collaborative consultation process will be used to gather as well as disseminate information. The objective will be to learn from, as well as educate, stakeholders on the issues and come to a balanced settlement of those issues **with the ultimate goal of developing a license plan best adapted to serve the public interest.** To accomplish this, SCE&G will (1) establish, maintain and improve a solution-discovery process and organization, charged with creating a Relicensing Agreement, and (2) apply the solution-discovery process and organization to create a Relicensing Agreement and get it approved.”

Respectfully yours,

George Duke
Lake Murray Homeowner's Coalition
Ph. 803-345-6785