

MEETING NOTES

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
SALUDA HYDRO PROJECT RELICENSING
All RCGs Operations Meeting**

**Saluda Shoals Park
October 12, 2006**

Final acg 11-13-06

ATTENDEES:

Alison Guth, Kleinschmidt Associates	Shane Boring, Kleinschmidt Associates
Alan Stuart, Kleinschmidt Associates	Dave Anderson, Kleinschmidt Associates
David Price, LM Power Squadron	Amy Bennett, SCDHEC
Kim Westbury, Saluda County	Jim Ruane, REMI
Bret Hoffman, Kleinschmidt Associates	Trisha Priester, Lexington County
Ronald Scott, Lexington County	Andy Miller, SCDHEC
Patrick Moore, CCL, AR	Reed Bull, Midlands Striper Club
Ron Ahle, SCDNR	Brandon Stutts, SCANA Services
Kristina Massey, Kleinschmidt Associates	Mike Schimpff, Kleinschmidt Associates
Bob Olson, NRE	Tom Bowles, SCE&G
Jenn O'Rourke, SCWF	Richard Mikell, Adventure Carolina
Dick Christie, SCDNR	Bob Perry, SCDNR
Jeff Duncan, NPS	Theresa Thom, NPS
Tony Bebbler, SCPRT	Ed Schnepel, LMA
Tom Ruple, LMA	Ed Diebold, Riverbanks Zoo
Bob Seibels, Riverbanks Zoo	Jon Quebbeman, Kleinschmidt Associates
Bill Argentieri, SCE&G	Mike Waddell, Saluda TU
Karen Kustafik, CoC Parks & Rec	Amanda Hill, USFWS
Bill Brebner, YCOA	Kenneth Fox, LMA
Roy Parker, LMA	Bob Keener, LMA & LMSCA
Steve Summer, SCANA Services	Bud Badr, SCDNR
Randy Mahan, SCANA Services	Bob Keener, LMA
Ray Ammarell, SCE&G	

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These notes serve to be a summary of the major points presented during the meeting and are not intended to be a transcript or analysis of the meeting.

Alan Stuart of Kleinschmidt Associates welcomed the group and noted that the purpose of this meeting was to introduce two items to the RCG members, a presentation on the research SCE&G has done on Alternative Energy Sources, and secondly to discuss the HEC-ResSim Operations Model. Alan noted that in order to aid in the understanding of hydrology when discussing the model, Dr. Bud Badr would also be providing the group with a hydrology 101 presentation. Subsequent to Alan's introduction, the following presentations were given (click below to view)

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Alternative Energy Source Presentation – *Carl Hoadley & Skip Smith SCE&G:*
<http://www.saludahydrorelicense.com/documents/ALTERNATIVEGENERATION.pdf>

An Understanding Of Hydrology – *Dr. Bud Badr : Coming Soon*

Discussion On The HEC-ResSim Operations Model – *Mike Schmipff & Jon Quebbeman – Kleinschmidt Associates :* <http://www.saludahydrorelicense.com/documents/SaludaProject10-12a.pdf>

Following the presentation on Alternative Generation, the floor was opened up for questions. One individual asked how the reliability numbers presented in the presentation were calculated. Carl H. replied that in order to calculate those numbers, they looked at forced outage rates, routine maintenance, as well as industry numbers. Bill A. also explained that many of the equipment cost numbers come from recent numbers that the vendors supplied. The group also briefly discussed how future demands will be fulfilled. One individual asked if SCE&G has evaluated how Saluda may be used in the future. Steve S. replied that SCE&G is looking at fulfilling future capacity needs through a nuclear station. There was also brief discussion regarding the use of Saluda over the past year. Bill A. explained that last year SCE&G tried to keep the lake level up around 358' and because of this, they had to get rid of the rainwater that entered the system rapidly to avoid exceeding the normal high water level. Due to problems with some of the other units at Saluda, Unit 5 was run to expel the excess rainwater. Reed B. also asked if there was any way to look at how Saluda was used for reserve in the past in order to predict how Saluda may be used for reserve in the future. Randy M. noted that because of the unpredictable nature of reserve calls, it would be difficult to forecast how often they may be called upon for reserve in the future. Patrick Moore asked if the alternatives analysis had considered partial replacement of only 50 or 100 MW because the most problematic impacts occurred at high flows. Bill A. replied that the Code of Fed. Regulations only required the full replacement cost analysis and that no partial analysis had been done. Later in the meeting Patrick commented that the 34 million dollar relicensing cost cap was an internal, SCE&G figure and that it in no way limited what SCE&G would be required to spend to address project impacts. He cited a recent court of appeals case that stated FERC has no obligation to issue an economically viable license.

After a short break, Dr. Bud Badr gave a presentation on hydrology to the group. There were no questions following Dr. Badr's presentation.

The next presentation was given by Mike Schmipff and Jon Quebbeman on the HEC-ResSim model developed for Saluda. The presentation can be viewed from the link above. Mike S. explained that the HEC-ResSim model was used for Lake Murray and was incorporated with the HEC-Ras model for the lower Saluda River. The floor was open for questions throughout the presentation. Tony B. noted that in the last 16 years he doesn't believe there have been any major flood events, and asked if something was built into the model to account for this. Mike S. explained that this being a water

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allocation model, he was not as concerned about the high flow times because water can be allocated for all the needs. He noted that the concern lies in the low flow times. Jeff D. asked if data from the Catawba Wateree model could be integrated into the Saluda model. Jon Q. noted that it was possible to add in other data to the model, however he noted that he did not believe it would be necessary or appropriate to add the Catawba data in.

The group began to discuss in a little more detail the constraints to be developed by the Resource Conservation Groups. Dave A. asked if the flows in the lower Saluda River can be calculated at the gage by the Zoo. Jon Q. replied that it could. Dave A. also asked if the model could predict what would happen when Saluda is used for reserve. Jon Q. explained that they were going to handle this by adding in, for example, 200 MW, 1 day a month, for 24 hours. Dave A. asked how the constraints will be obtained from the Resource Conservation Groups. Jon Q. noted that it depended on the RCGs time schedule, once an RCG makes a recommendation for the model, he could input the data. Ron A. added that he believed that instream flows would be the last input to the model. Mike S. and Jon Q. concluded their presentation and the group adjourned.