

**SALUDA HYDROELECTRIC PROJECT RELICENSING
FERC PROJECT NO. 516
Joint Agency & Public Meeting
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10:00 A.M. Session**

HOST:

Alan Stuart, Kleinschmidt Associates

PRESENTATIONS:

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Comments and Questions from the Public

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MR. ALAN STUART: If I could have everyone's attention, we can go ahead and get started. I want to welcome everybody to our Third Quarterly Public Meeting for this year. We have had two others around January, and then again, I think, in April. Today what we plan to do is try to give an update to everyone on the work that the RCG Groups, Resource Conservation Groups, and the Technical Working Committee, have been doing for about the past ten months. And, we have got a pretty full agenda because there has been a lot of work that's been done. We have a number of facilitators who are part of this process and each one is going to come up and give a breakdown of what the groups have done. My name is Alan Stuart, I'm with Kleinschmidt Associates. I see some new faces in here. I see some regular faces in here, as well. So, I am going to give an update on the work the Lake and Land Management Groups have been doing.

We developed a Mission Statement, for those that have not been a part of this, and I highlighted to me what's the most important part here:

Gather and develop information, study, consider all issues relevant to and impacting upon the Saluda Hydroelectric Shoreline Management Plan.

Basically, we are developing a new Shoreline Management Plan for Lake Murray, and the lower Saluda River corridor.

This kind of recaps the RCG, the Resource Conservation Group, who met on November 2nd, of last year, and developed a Mission Statement, formed what we call a Technical Working

Committee. This is the group that actually makes the nuts and the bolts of the Shoreline Management Plan and the issues. The RCG met on April 26th to discuss the progress of the Technical Working Committee, and we developed a draft outline of the new Shoreline Management Plan. Our next meeting is scheduled for next month on the 22nd.

These individuals basically form the Technical Working Committee for the lake and land management. As you can see, it represents a very diverse group of interests from SCE&G to Lake Murray Association, to your Natural Resources Department, and to Parks and Recreation & Tourism. These individuals were --- I want to say selected by the Resource Conservation Group members. To date we have completed a first draft of the items:

- buffer zone management guidelines;
- shoreline woody debris;
- bank stabilization guidelines;
- erosion & sedimentation guidelines;
- residential dock permitting;
- limited brushing guidelines;
- excavation guidelines;
- environmentally sensitive areas mapping and management; and
- perennial intermittent stream mapping.

I highlighted this --- or a bold, the word "draft" here. Once we've developed the entire --- or gone through all the issues and developed drafts, they will go back to SCE&G Management for review, and then they will go back to the Resource Conservation Group for their review and comments.

Other items that we have addressed in the meetings include moorings in the Lake, boat and personal watercraft lifts at docks, permitted water withdrawals, and aquatic plant management. Here's additional issues that were raised in reference to the initial stages that we issued: multi-slip dock permitting is our next item; sale of fringe land; land reclassification, which includes re-balancing for recreational wildlife needs; general permit conditions that SCE&G administers around the Lake; developing a shoreline management education program. The goal of that is to help educate Lake owners around the Lake, who live on the Lake, of the importance of buffer zones and managing those buffer zones. Also, we will be dealing with commercial marinas, and looking at the lower Saluda River corridor.

Here is our schedule, tentative schedule. We hope to have a draft of the new Shoreline Management Plan to SCE&G management, for view by April of next year; a draft to the Resource Conservation Group by July; and a draft Shoreline Management Plan out for public review by September of next year. It's a pretty tight schedule, but we have made a lot of progress in this Technical Working Committee. So, I think we can pretty much meet that schedule. Are there any questions on the Lake and Land Management, Resource Conservation Group, or Technical Working Committee?

UNIDENTIFIED: I have. What is the difference between Lake and Land Management and Technical Working Committee?

MR. STUART: You talking about the Resource Conservation? The way we structured the Resource Conservation Group is the large group that we formed that has --- anybody can be part of it if they want to participate. The Technical Working Committee, we tried to identify those individuals who have technical knowledge that could develop, be the best candidates to develop the recommendations that we put in the Shoreline Management Plan. That's why it includes a lot of your Resource Agency Personnel, and some of your Lake Homeowners around the Lake who are very well versed in the issues along the Lake. Other questions?

UNIDENTIFIED: Is this the one that's (inaudible)? Is this where that comes in, or it comes up later?

MR. STUART: I think it may come up later in the recreation. RCG. One thing we can do, at the end we are going to have about fifteen minutes to ask questions, so that may be the proper time for that. One thing I would like to say is, if you have a question, please state who you are and who you are with, and then state your question clearly. The proceeding here is being audio and video taped, so we need to make sure we have an accurate record of who is speaking. Anything else?

(No response)

MR. STUART: Well, I am going to turn it over to Shane Boring, who is going to discuss fish and wildlife and water quality.

MR. SHANE BORING: As Alan mentioned, I am Shane Boring. I am a Wildlife Biologist with Kleinschmidt Associates. I am just going to review, I am going to have a little bit more material than Alan did. There are seven Technical Working Committees between the Wildlife and Fisheries RCG, and the Water Quality RCG. We are going to start with the Wildlife and Fisheries group. This is a Mission Statement that was developed by the RCG at one of the initial meetings. I am not going to read the whole thing, it's on the website if people want to read it more in depth. The most important thing is the first sentence:

The mission is to develop a protection, mitigation, and enhancement agreement relative to Fisheries and Wildlife Management for inclusion with the Saluda Hydroelectric Project License Application.

And that's the license application that will be submitted to the Federal Energy Regulatory Commission. There have been three meetings of the RCG since its inception. Like I just said, the November 10th Meeting, which was for development of the Mission Statement; the December 7th Meeting was a joint meeting with the Water Quality RCG; and those were technical presentations that were --- there was interest expressed in having presentations relative to those topics in both of those RCGs. So, we had a big joint meeting that was all presentations. The last meeting we had was on February 22nd, and that focused on review of the study requests that were assigned to the Fish and Wildlife RCG, and also formation of the Technical Working Committee. After some discussion, the RCG formed six Technical Working Committees for Fish and Wildlife: Diadromous Fish, Rare, Threatened, and Dangerous Species; Instream Flow and Aquatic Habitat, Terrestrial Resources; Freshwater Mussels and Benthic Microinvertebrates; and Fish Entrainment. We are going to start with the Diadromous Fish Technical Working Committee. And these are the members, membership listed at the top. And apparently Gerrit is

so important that he rated two entries in my list here. So, I just notice that this morning. The group has had three meetings so far, and we will review the status of those in a moment. Just to quickly review what the group has been working on, I should mention that this group was actually formed prior to the beginning of the Relicensing Process. This is a study, diadromous fish study, was something that we knew we were going to have to do; it's pretty standard for relicensing proceedings. So, we met with the agencies and NGOs in November, 2004, and had an initial meeting; and we went ahead and started sampling in, I believe, it was February of 2005, which was really before the relicensing ever got going. But we've done sampling during the Spring of 2005 and 2006; involved gillnet sampling for blueback herring, American shad, and hickory shad, which are all diadromous species. The gillnetting was done by Dr. Jeff Isley (phonetic) at Clemson University. Also, we had eel pots out to sample for adult and sub-adult American eels. These are the locations of where the sampling took place, I believe. The circles are the gillnetting locations, and the squares are the eel pot locations. Some of these have been adjusted a little bit due to logistical constraints with flow and other things, so they had problems fishing their net. But this just gives you a general idea of the distribution down the river of the sampling locations. Just a quick run down of the results. The 2005 gillnetting, there is a report, final report, available on the Saluda Relicensing website that details the study and the results; but, just in a nutshell 14 species were captured, but no shad or herring. 2006 gillnetting wrapped up on June 1st. The report is not out yet, it is forthcoming from the folks at Clemson. However, I do know that there were, again, no shad or herring captured during that study. Now, what that means is left up to some interpretation; it could mean that the densities are so low that we are just not detecting those fish in there. No eels were captured during the eel pot sampling, at least during the sampling period, there were several incidental captures, I think. Where is Alison?

MS. GUTH: Over here.

MR. BORING: There was an eel captured the day you went to pick the traps up, wasn't it? After the study was over with?

MS. GUTH: There was an eel captured during our taking samples.

MR. BORING: Okay. And then several others during SCE&G and DNR fisheries, their electro fishing for the lower Saluda River. So, none during the study but we caught a couple when we didn't mean to. Due to the ineffectiveness of the eel pot, we decided to undertake a different method. We are using an experimental eel ladder, and not only are we trying different methods but this also allows us to sample for different life stages. What we will be sampling for here is in-migrating, what they call, yellow eels, juvenile eels that are migrating from the ocean back up into the rivers to live. This is the location in the Saluda spillway where the eel ramp has been installed; the rocky area up on the top there is where the leakage flow comes down from the spillway gates and trickles into this little plunge pool area, for lack of a better term; and that provides an attraction flow which guides the eels upstream. This is a picture of what the ladder looks like. You can see the attraction flow coming in on the right hand side. There is hose that comes down and through gravity through a cycling provides flow down the pipe, which serves an attraction flow, and there is a collection box at the top. This method has been used at some of the Santee Cooper projects, and I know there was a project in Virginia that used this method very effectively. In fact, some projects have caught thousands of eels using this. So, we have only had it in a few weeks, but we'll see if we find anything.

The next group is the Fish Entrainment Technical Working Committee. This is a smaller group, and mainly focused on those people that have experience developing fish entrainment studies. To date the fish entrainment group has not had any formal meetings; however, a study plan has been developed for a desktop entrainment study, which was drafted and submitted to the Technical Working Committee over e-mail, and was reviewed and approved. And I believe the final is on the website. We will begin pulling that study together very soon. And what that will do is it will take existing entrainment studies, field studies, that were done for similar projects and it will compile those into a matrix, into a database that will allow us to develop estimates of entrainment for the Saluda project. This, again, is another one of those sort of standard studies for relicensing.

Now, the Rare, Threatened and Endangered Species Technical Working Committee. This is the group that has a lot of work to do. Again, this is something that is pretty standard with relicensing. A lot of the same people that are on the other group; we have had two meetings to date, March 8th and May 3rd. Right now we are working on developing a database type tracking tool that will allow us to look at what species have been documented as occurring in the project area. And comments filed in response to the initial consultation document, the U.S. Fish and Wildlife Service listed 47 species as occurring in the four county region around the project. That certainly does not mean that all 47 of those species occur at the project, but that's the standard starting point for this procedure. So, now we will start looking at where these species have been documented; we will also look at available habitat. And if there is no habitat and it has not been documented there, then working with the Fish and Wildlife Service we will start marking those off the list, and we will get down to the ones that we really have to deal with. And Kelly Miller from Kleinschmidt is in the back of the room; she has been working pretty hard on this database. This information will provide a baseline for the license application that we filed with the FERC, and also for a process called the Section 7 Consultation which is required under the Endangered Species Act for any major Federal action in issuing the licenses considered Federal action. Just a couple of studies that the Threatened and Endangered Species Technical Working Committee already has in process: woodstork surveys have been going on since, I believe, February of 2005. This is a species that typically is coastal, oriented toward coastal areas; but in the Summer of 2004 there were some that were discovered in the upper end of the Lake almost in the --- basically in the Saluda River. And we are trying to figure out what their status is, why they are there. Since 2004, we have done almost two years worth of study, or a year and a half worth of study, and those wood storks have not been back yet. There is a report of the 2005 study on the website; and the 2006 study is ongoing. We fly a monthly survey, in a small aircraft, and survey all those areas of potential habitat and also the areas where storks have been seen in the past. Also, on May 31st of this year we did a survey of the lower Saluda River for rocky shoals spider lily. This species has been documented in the Broad River downstream, a Columbia project, but there were some uncertainty about its status in the Lower Saluda. There were two potential rocky shoals spider lily plants located in the Ocean Boulevard rapid area of the Lower Saluda. Probably what needs to happen is we need to go back and check those again, to double check their identity. But other than that, we don't know of any in the Lower Saluda. Shortnose sturgeon is another Federally listed species that we will be looking at. You have to have a permit from National Marine Fishery Service to sample for this species, and from what I understand that permit is on the Director's desk in Charleston waiting to be signed. So, we should have that in time to begin our sampling in 2007. I should mention that there is a study plan for the sturgeon on the website if anyone is interested.

The Terrestrial Resources Technical Working Committee, this is the membership, again, a lot of the same folks. We try to hold these meetings, two or three of these Technical Working Committees, the Fish and Wildlife Technical Committees, we try to hold them on the same day to cut down on travel for the agencies and make things a little more expeditious. So, again, we met on March 8th and May 3rd. One of the study requests assigned to this group is the request for a bird survey of project lands. After the Technical Working Committee started looking at some of the available data from Riverbanks Zoo, Columbia Audubon, and just other birders around the area, I think there was a notice that went out on the Carolina Bird website, or "listserve" (phonetic), which is run by Duke University. And we had a number of responses, and based on that, the TWC decided that this issue could be addressed through existing data. We are compiling a final species list now, and that will be submitted at our --- when is the next meeting, the 26th. The meeting on the 26th, and that should pretty much close out this issue. There was also a request for water fowl surveys, a study plan is being developed. It will document water fowl usage during the winter months. That will most likely be performed by a Savannah River Ecology Lab, which is run by the University of Georgia, and will involve a monthly aerial survey.

The next group is the Freshwater Mussels and Benthic Macroinvertebrate Technical Working Committee. Again, a lot of the same folks. Dr. Jim Glover from SCDNR is not correct, he is at DHEC. He is an expert in macroinvertebrates, and provides a lot of insight in this group. Meetings on May 3rd and June 14th. One of the major items that this group is dealing with is the mussel survey at Lake Murray, lower Saluda River, and the Congaree River. That was completed last week; we did our last survey last Wednesday, I believe. So, those results have not been compiled yet. John Alderman in North Carolina is the expert that was hired to do this work, and he is still preparing the report. I believe there is somewhere in the neighborhood of about sixteen species between the Lake and the Congaree River, below the Dam there were no species in the Lower Saluda. None of these species were Federally listed. Benthic macroinvertebrates study is another study request that was assigned to this group. There are several years of existing data for the Lower Saluda. I believe those years are correct; but if anyone is interested in any of these reports, they do exist and I can pass those on to you. They were done by Shealy Environmental. Right now we are doing a study plan to incorporate a multi-habitat component into the methodology that is already being performed. After the TWC had a look at these existing reports it was decided that the methodology that is being done now is acceptable, and we are just going to continue that for maybe a couple of years. We haven't quite settled on the number yet, but that work is going to continue as long as we add this multi-habitat component, which is the EPA Rapid Bio-assessment Method, which is dipnet type method as opposed to an artificial sub-strait which we are using now.

The Instream Flow/Aquatic Habitat Technical Working Committee is a larger group that has a lot of work to do, is typically one of the major issues for the relicensing. You can see there are quite a number of folks from different agencies, and American Rivers, NGOs. Two meetings so far. We just kicked this group off on May 3rd, so we are just really getting rolling on this. There is an existing instream flow study that was conducted by South Carolina Department of Natural Resources in 1989, and '90, in that range. Before we start an inflow stream study associated with this relicensing we have a technical expert for instream flow studies within Kleinschmidt that is reviewing the existing study, and is preparing a brief to present to the Technical Working Committee so that we can determine the applicability of this existing study to the current relicensing, and whether any further studies are needed. Another study request has been assigned

to this group is the Potential for Self-Sustaining Trout Fishery in the Lower Saluda, which I believe was submitted by Trout Unlimited. After some technical discussions the working group has decided the best way to deal with this issue is to prepare a technical white paper which from a scientific standpoint will analyze the potential for this type of fishery. One of the other study requests assigned to this group is the flood plain flow evaluations. There are a number of studies that are available from the National Park Service associated with Congaree National Park. We are gathering those studies together now to assist their applicability to the current relicensing and will move forward from there. Also, there was a request for a comprehensive habitat assessment. And the agencies, South Carolina DNR, Fish and Wildlife Service, are developing a list of what they would like to see in terms of the GIS coverages for the habitat assessment and we'll begin developing those as soon as we get that framework. Questions about Fish and Wildlife?

MR. TONY BEBBER: What did you say about mussels in the lower Saluda River?

MR. BORING: There are no mussels in the lower Saluda River. There were some where --- when you get into the confluence area there are a couple little rivulets (phonetic) coming out from the Broad River, and there were some blowout from one of those little rivulets, there were the species that were in the Broad, some shells and other things were being kicked out. It's right in that area where there is the rocky shoal spider lily, it's just upstream of Highway 12 Bridge. There were some species right there, but I think they were associated with the Broad. Could you state your name, please?

MR. BEBBER: Oh, I'm sorry. Tony Bebber with South Carolina Parks, Recreation and Tourism.

MR. BORING: Thank you. I think there were seven or eight species in the Lake, and about seven or eight species in the Congaree and the Broad. But that's purely from memory. I haven't seen the summary of the data yet, so --- and some of those species may be common between the two but I don't think so. Anything else?

(No response)

MR. BORING: I successfully bored everyone to death. The next group will be the Water Quality Resource Conservation Group. Again, this is the mission statement, similar to what was developed for Fish and Wildlife. Again, the most important part is that the mission of this group is to develop a what we call a protection mitigation and enhancement agreement to submit with the license application. There have also been three meetings of this group so far. The November 9th meeting focused on development of the mission statement. The December 7th meeting, as I stated before, was a joint meeting with the Fish and Wildlife Group that consisted mostly of technical presentations. And the February 21st meeting focused on formation of the Technical Working Committee's review of the study requests and then assignment of those study requests to the various Technical Working Committee. This is the Water Quality Technical Working Committee, again, a little bit larger group because this is the group that has a lot of work to do. Water Quality, there is a number of study requests that we are dealing with, so we have a very diverse group working on it. There have been, I believe, five Water Quality Technical Working Committee meetings so far. One of those by a conference call. And the notes for all of these are available on the website if you want to get caught up with what's been going on with this Technical Working Committee. Just to quickly review the status of a couple of the study requests that this group is actively working on: Effects of Project Operations on Summer Habitat for

Striped Bass, Jim Ruane from Reservoir Environmental, Incorporated in Chattanooga, Tennessee is working on a model to evaluate the effect of Unit 5 on Summer Habitat for Stripers, and that should be --- what's the status of that, Alan?

MR. STUART: Should be out in August.

MR. BORING: Should be out in August. Okay. DO and Temperature Effects on Fresh Water Mussels: again, we can't look at temperature and DO effects until we know what species we are looking at. And as I state before, the mussel survey was completed on July 13th, and a report will be forthcoming. The Technical Working Committee will have a look at this report, or have a look at the findings, and will decide where to go on this issue from there. Downstream Temperature Effects of the Cold Water Releases, we currently have a study plan in place that was developed by the Technical Working Committee. And that can be found on the website. And that's currently being executed. We have paired temperature sensors in nine locations ranging from the Lake Murray Dam all the way down to roughly the 601 Bridge on the Congaree River, which is sort of a downstream extent of Congaree National Park. And, we have some summary information on that data if anyone is interested, just get in touch with me.

Evaluation of Potential for TMDL Development, a total maximum daily load. That's a method for controlling point and non-point source input. It's kind of a framework. SCDHEC would be the agency that would have to implement that. It is a regulatory thing. And DHEC has expressed that they are not in a position to develop that at this time, but they are continuing to develop a strategy. So most likely, this will not fit into the relicensing process or timeline. The status of Existing Downstream Waterfall, its conditions, it's something that was requested by South Carolina DNR and other agencies. In essence the hub baffles and other things that have been installed at Lake Murray Dam to improve the water quality of the water that is coming out of the Dam, that has changed what the baseline is. The conditions are better than they used to be. So, we are trying to figure out now what the effectiveness of the hub baffles are. And there was a report issued in June of 2006 that summarizes --- which units, Alan?

MR. STUART: 1 and 5.

MR. BORING: 1 and 5. And the other units will be tested this Fall. And that will provide the baseline in terms of the aeration efficiency of the unit. The final study plan that's being actively dealt with by this group is Cove Water Quality in Lake Murray. Lake Murray Association has developed a study plan and methodology for sampling water quality in some of the coves. And I believe they began their studying or began their sampling about six eight weeks ago, I am not certain. There might be somebody from that group that could confirm that. But we are going to have a look at this data as well as what SCE&G and DHEC, and other agencies have collected, and then decide where to go from there to fulfill this study request. And that's just about all of the requests that they are actively working on. With that, I will take any questions. Steve?

MR. BELL: Steve Bell. Has there been a consensus by the Technical Water Quality Technical Committee that we are not going to do a TMDL as part of the relicensing?

MR. BORING: Alan, you were at the most recent meeting, do you want to --- or, at least in the meeting that there were TMDL. Do you want to field that one?

MR. STUART: Alan Stuart of Kleinschmidt. The latest thing that we have heard, and Shane pointed out, the DHEC is not in a position at this time to pursue a TMDL. They are the only ones that can implement a TMDL, our Technical Working Committee does not have that authority. If it appears that DHEC, you know, can develop a schedule that does coincide with the relicensing, if they come forward; but right now from my understanding in discussions with them, they are years out from implementing a TMDL.

MR. BORING: And we have to file a license application in when?

MR. STUART: August, by 2008

MR. BORING: Any other questions? Joy.

MS. JOY DOWNS: I am Joy Downs, Lake Murray Association. What does DHEC propose to do? They just said that their survey will not fit into the timeline, do they have a timeline? Or have they spoken to that at all?

MR. BORING: Actually, as Alan said, they are not in a position, I think, budgetary and other reasons, to pursue a TMDL at this time. They never stated any sort of schedule at all, from what I understand.

MS. DOWNS: Well, my understanding is that DHEC can use partnerships to help with the financing. And so, I am wondering if we can pursue that.

MR. BORING: Okay. I don't know if there is anyone from --- anyone that wants to speak to it. I really can't respond to that, I am just here to facilitate the meeting. So, I really can't speak to that at all. Anyone else?

(No response)

MR. BORING: Well, thank you for your time. And the next speaker is Bret Hoffman. And, Bret, what are you going to talk about? I don't even know.

MR. BRET HOFFMAN: Operations.

MR. BORING: Operations.

MR. HOFFMAN: Good morning. I am Bret Hoffman with Kleinschmidt Associates. I am an engineer working on the project, and I am going to go over the --- we will talk about the Resource Conservation Group for Operations, the projects of what we have been doing. We have got our Mission Statement here, and again I am not going to read all of this. But, the primary objective of the Operations Group is to create a model of the Saluda Project, both the physical and hydrologic input for this model will be used to balance inflows and outflows that is going to help determine the various interests of water, both in the Lake and in the Lower Saluda, and even down to the Congaree River, how much water is allocated in different areas and take into consideration physical constraints such as storage of the Lake.

List of our meetings that we have had thus far, the first three or four meetings were RCG meetings where we developed a Mission Statement and discussed what model to use, or to have for different programs that are available to do this type of work. The Technical Working Committees were formed in the January timeframe and have met April, May, July and we got another one scheduled for August. Now, we have two Technical Working Committees. The Operations Technical Working Committee is actually creating a model and is going to put all of the various requests from the different Resource Conservation Groups into the model; and that will determine different simulations that come out of the model. Generation Review is another Technical Working Committee that was formed and basically they are reviewing the existing function of the Saluda to provide power demand. Participants in the Operations Resource Conservation Group, we have people from all of the other RCGs because there are some interests within every Resource Conservation Group that are affected by the operation of Saluda Hydro. Other participants are Hydrologists, these are the people that understand how to do this water modeling, this resource allocation modeling. I think there is an individual from DHEC; there is an individual from DNR. And we have a certified hydrologist with Kleinschmidt who is actually generating the model and putting all this information together. And SCE&G has some representatives in the Technical Working Committees as well, they have historic knowledge of the hydraulic model for Saluda. Again, the objective of the model is to balance the resource of Lake Murray and all of Saluda. There is only so much water that we could clearly see this year, and where and what you do with that water? Do we want it in the downstream areas, well that's going to affect some areas of the Lake, and to balance those issues out? That is exactly what the program is designed to do. Again, taking in the physical limitations basically storage, and the availability of water, rainfall and the basin. These are a few of the issues that are being balanced for this; obviously the fisheries, and the upstream and the downstream areas, hydropower, flood control. We haven't had significant heavy rainfalls recently, but it has happened in the past and it will happen in the future. Drought events, that's an interesting one; where your allocations go when there is not enough water for everybody who wants it for their purposes. The model we've chosen is the standard for national relicensing efforts. Now, it's called HEC-Res-Sim. The Army Corp of Engineers developed this. HEC, is their hydrologic engineering group. And Res-Sims stands for reservoir simulator. Again, it's user-defined goals which are basically issues that I covered on the previous slide about water quality, or fisheries in the lake, different requests from different REGs, or user-defined goals that they want in different areas. It takes specific points within the system, and you tell it exactly --- you tell the model exactly how much water or how much flow you want at that point, and it balances all these versus each other. Hydrologic inputs, is how much water is available to satisfy all these needs. Long term planning, that's what we are using the model for in relicensing. You can also use it for operations if SCE&G chooses to use this exact same thing, and in the future they can. And like I said, it is the National Standard for relicensing efforts. Model structure, water shed extent that basically consists of the entire drainage basin. I am not sure, maybe 2000 some square miles, I can't remember how large the drainage basin is. And the downstream river system, things below the Saluda Dam; that include not just the Saluda River but above the confluence, the Broad River upstream, and downstream down to the Congaree State Park. There are interests in the Congaree State Park, so we have to include inputs from Broad River. This is a basic map of --- doesn't go all the way up, but you can see the magnitude of the watershed that affects Lake Murray and the Saluda River project. You can see Lake Greenwood and east, all these little points here are areas of interest. Most of these -- or, some of these are going to be watershed input. For instance, this one here up by Lake Greenwood, that's going to be how much water comes out of Lake Greenwood at Chapel Station, and comes into the Lake through that route.

All of this information is input into the model as hydrology. There is a little bit closer zoom in there, you can see Little River, there is a gauge there. That's water that is coming in from that area. The inputs are both gauged and ungauged sources. We use gauged sources when we can because the USGS puts these gauges in, and that's data that we can get right off the internet. There are areas where it's ungauged. You have tributaries in the basin runoff that basically you have to study from weather events. SCE&G has had an individual working on that for sometime now involved, and has supplied us a good bit of information about the watershed. Outflows and evaporation, that's pretty self-explanatory; what water is released from the plant. And evaporation is a big consideration with Lake Murray because there are days in the past where we lost more water into the air than was actually coming into the Lake. They will use a typical year for a lot of the planning, and then they will also look at a very heavy flow year, and also a very dry year to give consideration to both flood events and droughts.

As I said earlier, all the requests that come from the different RCGs, we are asking them to be related to the stage and/or flow at a specific location. If you have got a water quality issue at this point, water quality models can turn those requests to how much water you need at that point. So things like that would be input into the model as to different user defined requests. We will run the simulation model with all these requests, input it, and there is almost guaranteed not going to be enough water for everybody; so, what you do, if you look at how much --- you know, how much did you satisfy this individual's needs, you know, maybe 80% of the time. And than that 20% of the time when you weren't able to satisfy what they wanted, how bad did you come up short? And that's going to go back and forth with the groups. We will run the model, we will give the results to the groups, and we will have to go back to individual stakeholders; we will take the results and say, "Can we live with this, or can't we? Do we need more here?" This is an interactive process, it's going to go back and forth. I wish it would take one route, but it is not going to happen that way. And the final outcome, once everybody comes to terms on what they can agree with, is going to be included in the PM&E agreement.

We have another Technical Working Committee, on the 23rd of August, where we will be finalizing the base model, presenting that to --- subsequently presenting that to the Operations and other Resource Conservation Groups. And after that, we will be submitting from those groups their requests for what their user defined inputs are going to be. What are their needs from the model? What are their needs in different areas of the project? Questions?

(No response)

MR. HOFFMAN: All right. In that case, I am going to turn it over to Dave Anderson --- oh, Bill. I'm sorry, Bill Green. Sorry, Bill.

MR. STUART: After Bill's presentation, I will offer that we take a break for about five or ten minutes, we are ahead of schedule. And give people a chance to use the restrooms, or get refreshments if you need to. So, if everybody is in agreement with that, we will break after Bill's presentation.

MR. BILL GREEN: I am Bill Green with S&ME. And I am going to talk more about the Cultural Resource surveys that have been done, rather than the Conservation Group; because, the Cultural Resource Conservation Group has only held one meeting so far, about nine months ago, and we are scheduled to have another one on September 8th, because we felt we really didn't

have much to discuss in the interim until the surveys were almost completed. So, I will talk about what we have done to date.

Primary participants in this process are the Federal Energy Regulatory Commission, or FERC; South Carolina Electric and Gas; State Historic Preservation Office; The Catawba Indian Nation; and the Advisory Council on Historic Preservation. Other participants include South Carolina Department of Natural Resources; South Carolina Institute of Archeology and Anthropology; Eastern Band of Cherokee Indians; other Federally recognized Indian Tribes on a limited basis; and Cultural Resource Conservation Group; and the public. Here is just a list of the CRCG participants to date. The list floats back and forth, if people want to join, that's fine; or, some people left.

The Laws, Regulations and Guidelines regarding Cultural Resources in this process include the National Environmental Policy Act; National Historic Preservation Act, which is the primary one that we have to deal with, and that includes Section 106, which is the most important Section for this process and its implementing Regulations, protection of historic properties. There is also FERC Guidelines for Environmental Assessment and Historic Preservation Management Plan Preparation; there is Secretary of Interior Standards and Guidelines for Archeology & Historic Preservation, and State Historic Preservation Office Guidelines for Archeological Investigations and Survey of Historic Properties. Since this is the primary section, I am going to read it briefly. This is why SCE&G has to go through this process. "The head of any Federal Agency having direct or indirect jurisdiction over a proposed Federal, or Federally assisted undertaking ---" in this case, the relicensing, "shall prior to the issuance of any license take into account the effect of the undertaking on any District site building, structure or object that is included in or eligible for inclusion in the National Register. The head of any such Federal Agency shall afford the Advisory Council on Historic Preservation a reasonable opportunity to comment with regard to the undertaking."

There are four basic steps to protecting historic properties. The first part is to initiate the Section 106 process. The second part is you identify historic properties that may be out there. Third is you assess any effects that may be caused by the undertaking by the relicensing. And then you resolve any adverse effects that may be occurring.

Step 1) Initiate the 106 process. You define the undertaking, in this case the relicensing. Identify participants and coordinate with SHPO, the State Historic Preservation Office. And we have completed that step and define the area of potential effects. That's the area that could be affected by the relicensing. And not necessarily limited to Lake Murray, but sometimes includes the surrounding area; and in this case also includes portions of the lower Saluda River. We have completed that stage.

Currently, we are in the second stage, which is to identify historic properties. We did a Stage I reconnaissance survey about a year ago where the goals were to identify previously recorded historic and archeological sites, sites we already knew about. Identify areas for additional archeological survey, and record historic structures that might be out there surrounding the Lake and lower Saluda River. Areas examined during the Stage I survey consisted of 620 miles of shoreline along Lake Murray, and 25 miles of Riverbank on the Saluda, Little Saluda, and lower Saluda Rivers and their major tributaries. The results of the reconnaissance survey were that 42 previously recorded archeological sites were found in the records. We identified 40 new

archeological sites. There were 7 previously recorded structures that are listed and are eligible for listing in the National Register of Historic Places, including the old Power House. And there are 8 newly recorded structures, only one of which is eligible for the National Register. We are currently in the process of doing a Stage II intensive survey. And those are the areas that we identified as having a high probability of containing significant archeological sites. This included 735 acres on 139 islands in Lake Murray; 89 miles of shoreline in a 177 different areas along Lake Murray; 4 miles of Riverbank along the lower Saluda River; and 19 acres on seven islands in the lower Saluda River. To date, we have examined 71 islands in Lake Murray; 21 shoreline areas in Lexington County; 2 miles of Riverbank in the lower Saluda River, and Corley Island. What we still have left is 68 islands in Lake Murray, most of which are small privately owned islands; 79 shoreline areas in Lexington County; 77 shoreline areas in Richland, Newberry and Saluda Counties; and 2 miles of Riverbank and six islands in the lower Saluda River. The results so far as the Stage II survey are, we found 15 new archeological sites so far; 4 sites were revisited from the Stage I survey. These sites include 12 prehistoric sites ranging from the Early Archaic Period to the Lake Woodland Period, which is roughly 10,000 years ago to about 1,000 years ago. We found 31 historic sites, mostly 19th and early 20th Century home sites; and five cemeteries; and there are 7 sites with both prehistoric and historic components to them. By far the most interesting site we found to date is 38LX531. This is located along the lower Saluda River, and you can see in the top right corner there is a picture, of course, of the site. It is almost 12 acres in size; there is excellent preservation; very deeply buried artifacts; and numerous features. A hearth feature, how easy it is to see, but right here you can see some fire burnt hobbles eroding out of the Riverbank. And that was from a fire pit that we think is probably about 4,000 to 5,000 years old. There are no occupations at the site going back more than 5,000 years. This potential occupation is going back as much as 13,500 years ago. And it could prove to be one of the most interesting important site in the Southeastern U.S. That's it. Any questions?

MR. GEORGE DUKE: My name is George Duke, Lake Murray Homeowners Coalition. And the question I had just to follow up your last statement, that's on the lower Saluda River. What do you do next? You know, if the water continues to rush down there and erodes that site away, it goes away.

MR. GREEN: Right. We are currently talking with SCE&G and FERC, and the Catawba Indian Nation, about what to do about how to --- I think the site is going to have to be excavated, or at least a portion of the site will have to be excavated because there is active erosion occurring at the site. So, we are in the process of preparing a plan to deal with the --- what's the best way to go to the next stage and start to recover some of the data from the site. One of the questions we still have is how deep the artifacts are. Because our traditional methods of testing are is we dig a shovel test, and we can only go down about 3, 3/12 feet at the most. We had a geomorphologist come to look at the site from the University of Georgia; and there is potentially stuff down as much as 15 to 20 feet, just above the River. So, we need to come up with some innovative methods to find out what is actually down there and we may start in the Fall on looking at that.

MR. DUKE: Is that more time consuming?

MR. GREEN: Yes. Any other questions?

(No response)

MR. GREEN: Okay, thank you.

MR. STUART: How about if we adjourn for about ten minutes, and get back around ten after eleven.

(Off the record - break)

MR. DAVE ANDERSON: All right, I know most of you. My name is Dave Anderson, I am with Kleinschmidt Associates, also. I will be talking to y'all a little bit about the Recreation RCG and the Safety RCG. Like you have seen before, here is the Mission Statement that we have developed within the Recreation RCG. Basically the premise is to come up with a recreation plan for Lake Murray and the lower Saluda River. What that plan entails, we will be talking about on Friday. We have a meeting coming up on Friday, July 21st; prior to that we have had four meetings of the Recreation RCG. Within those meetings we have developed a Mission Statement; we are working on what I call a work plan which will outline what the Recreation RCG is supposed to be accomplishing. And there is a couple of other documents that I will go over real quick with you guys. I don't think anybody has mentioned it, maybe they have, but if you are interested, all of meeting notes, obviously except for July 21st, are on the website. So, if you are interested in what's been going on in detail, you can go back and review those.

The process that the Recreation Group is using - and I apologize, but I couldn't make this any bigger, but I can go through at least the steps with you. It is what we are calling a Standard Process which involves four steps. The first is to determine the desired future condition. And that is where we have come up with a vision statement for Lake Murray and the lower Saluda River. It is still in draft form, we are planning on finalizing it on Friday. Basically, it's a statement that says what the Group expects Lake Murray and the River to look like in thirty to fifty years from a broad perspective. The second step is to establish a baseline condition; and that is kind of the step we are on right now. We are documenting existing conditions, we are researching any agreements that SCE&G has with any other entities as far as O&Ms, and projecting future demands. And like I said, we are kind of on this step right now and we are conducting this study, which I will talk a little bit more about in a little while. The third step is to determine what is needed and when. Once we have what is out there now, as a group we are going to get together and say, "Well, how do we get from where we are now to where we want it to look like in thirty years?" And that will involve identifying new sites, identifying upgrades to existing sites possibly, setting aside SCE&G-owned lands for future recreation; are some of the steps we can take to make sure that your vision of Lake Murray and the River comes to fruition in thirty years. Finally, we will determine how needs will be met and who is responsible. Like I said, we will identify possible new recreation sites, possibly upgrade some existing sites, and try to identify who is responsible. SCE&G has indicated that they are interested in coming to agreements with some of the County Governments for O&M costs on existing sites or new sites, with the PRT hopefully. Though SCE&G, while they are in the recreation business they don't want to be as far into the recreation businesses.

All right, Work Products coming out of Recreation RCG. I talked a little bit about the work plan. We have a list of issues that have been identified, which are listed on the work plan. We have a list of tasks and responsibilities that we need to accomplish to hopefully solve most of the issues, and also, work scope and product. What are going to do to make sure that we get a consensus based recreation plan by the time this relicensing process is over? I have already mentioned

something about the vision statement. The solution principles is basically, there is about ten of them. What they basically say is, "How do we want to develop new recreation sites as far as agreements with other entities; impacts to commercial operations, trying to reduce those impacts so those commercial operations aren't affected by any new public sites; coming up with a schedule of improvements; so on and so forth. We are also using what I call a standard process form, which is a list of about I think around forty questions that we are going to answer over the next year that tie into this four step process. You know, where are the recreation sites located now? We obviously have a map to help us. Are they being used at capacity? We are trying to figure that out through this study we are conducting. And finally, we will develop a recreation plan which will outline what steps we are going to take to ensure that the public has access to Lake Murray and the lower Saluda River for the term of the new license.

A brief list of identified issues, it certainly gets more detailed than this. This is kind of my breakdown into five bullets of what we are dealing with:

- Recreational facilities, both looking at existing sites and identifying possible new sites;
- Conservation of land, we will be working with the Lake and Management RCG to make recommendations as to what lands we think should be set aside for recreation access in the future;
- This concept of adaptive management has been brought up, and the best --- I guess the best way to explain that is, it's like a sail boat trip. We are at Point (a) right now trying to get to Point (b), which is good recreational access at the project. Well, thirty to fifty years is a long way down the road, so what we are trying to do is set up the process within the Recreation Plan that as we go through our course of thirty or fifty years down the road, we can make adjustments as necessary to the plan;
- Downstream flows is an issue that we are dealing with, both within this RCG and also within the Safety RCG, identifying preferred recreational flows for downstream users and safety impacts related to those flows;
- And also, lake levels, trying to identify what lake level provide best access for the majority of Lake users. And we will make that recommendation to the Operations RCG for inclusion in the model that Bret talked about.

We have formed three Technical Working Committees to deal with these issues:

- The first is the Recreation Management TWC. They are dealing with identifying the existing sites, cataloging existing sites, and making recommendations for new sites to the larger RCG.
- We have a Downstream Flows Working Technical Committee that is looking on issues on the lower Saluda River; and
- Also at Lake levels TWC that will be working on Lake levels in Lake Murray.

Right now we have three ongoing, or plan studies:

- The recreation assessment study plan is in place right now; it has been finalized by the TWC; it is available on the website;
- We are going to talk about a boat density study on Wednesday within the Recreation Management TWC; and

- Also, there is a draft downstream recreation flow assessment that will be going out to the Downstream Flow TWC, hopefully within about a week.

And we will finalize those and get those in place by the end of Summer.

The goals of the Recreation Assessment are to characterize existing recreational use of SCE&G's recreation sites on Lake Murray and the lower Saluda River and to identify future recreational needs related to public recreation sites on the Lake and the River. There are basically about three steps within the study. The first step has been completed where somebody from Kleinschmidt has gone out to --- I think there are 16 or 18 sites that we have identified that are SCE&G owned and also the mill race area down at the zoo and Saluda Shoals, the one right across the River, Metts (phonetic) landing, and Gardendale on the River. And we have cataloged a number of variables, a number of restrooms at the sites, a number of boat launch lanes; whether the site is ADA compliant, which is the American with Disabilities Act. Basically there are about, I think, 2 or 3 pages that our clerk went around and checked them off, and what we are going to be doing is putting that into a database that SCE&G and the RCG can use to determine what's out there now, what do we need in the future? Future recreational needs will be determined from a variety of sources. RCG is serving as a stakeholder group to make recommendations on what new sites are needed. We will be using population projections for the counties surrounding Lake Murray to determine if the sites are not being used at capacity now, when might they be, when might we need new sites to accommodate the growth in this area? And then also there is existing studies that we'll be using like the Lower Saluda Corridor Plan, and a couple others.

The boat density study, like I said, it's in draft form right now; the TWC is meeting Wednesday afternoon to discuss this. Basically what this is going to do is, using existing data, we are going to look at the number of boats per acre in Lake Murray, using some existing research that suggests how many acres per boat you need for a given activity. We will determine if there are certain areas of the Lake that are being used that are over capacity, or either under capacity, and what might attribute to that capacity. You know, is it shoreline development? Maybe there is a boat launch in the area, and people tend to stay around where they are. That study plan should be in place, I'll say within the next month, and will be available on the website.

The downstream flows, this is still in draft form also. The goals of this study are to characterize existing recreation opportunities on the lower Saluda River, which is being done in conjunction with the recreation assessment; and we have gone to the sites on the River and identified what activities are taking place at those sites. Understanding the rate of change of the lower Saluda River at various flows at various River reaches. This is to document what happens when water is coming through the Dam, how fast does the River rise, how does that contribute to safety concerns, what can we do about some of these possible safety issues? And we will try to identify the public safety issues associated with the lower Saluda River flow. Our schedule, right now, we are about mid-2006, got some clean up items that first bit. Like I said, Friday we'll be finalizing most of those, or in fact all of those on that first bullet. We are completing identification of studies, most of the studies should be completed by the Spring of next year. We are sampling the entire recreation season for the Lake. So, we have people out there now that are counting people coming in the sites, doing some interviews with people asking them about their experience that day. Once those studies are completed in 2007/2008, we will use all of the data that we have gathered and start working toward this recreation plan. Does anybody have any questions on the Recreation RCG? Yes, sir.

MR. REGIS PARSONS: My name is Regis Parsons. I am one of the landowners that's on a cove, Two Bird Cove. The last quarterly meeting you had, the issue of Two Bird Cove being designated as a special recreation area came up; and one of the answers that was given was that that designation was being handled under a separate process from the process that you are going through today.

MR. ANDERSON: Correct.

MR. PARSONS: I wonder if you or somebody else could explain? Is that the case, is what you are doing irrelevant to the actual designation of that cove? And there is a separate process for consideration of designation for boat anchoring?

MR. ANDERSON: I will tell you what I know, and then maybe Tommy or David can speak a little bit. Right now SCE&G is required to update their shoreline management plan every four years? Five years? Every five years.

MR. BOOZER: That designation took place with doing a review of --- a five year review of the SCE&G shoreline management plan.

MR. PARSONS: And that is the existing shoreline management plan.

MR. BOOZER: Yes, sir.

MR. PARSONS: Not this shoreline management plan.

MR. BOOZER: Not this one. No, this is of the relicensing, I guess, we do need to separate them a little bit. But what we are talking about today is the relicensing. But as far as Two Bird Cove, we have orders that apply to some land sales and land classifications, and also the identification of some type of special recreation area. There are two areas that were identified for the areas. The Hurricane Cove, which is up there across from (inaudible) by the big gap; and then also Two Bird Cove. Those two areas were identified as areas that a lot of (inaudible) to be (inaudible). And they came to --- they petitioned FERC for SCE&G to evaluate those areas; and we evaluated those areas with the US Fish and Wildlife, DNR, and the other resource agencies, and came to the conclusion that they could be designated as a special recreation area.

MR. PARSONS: Well, then once that designation has taken place through that process, which I take it there was no public input in the process as opposed to this process where there is public input, is this process that we are about through, give consideration to Two Bird Cove at all, or is Two Bird Cove and what's going to happen with Two Bird Cove not considered in what is about to happen with this process?

MR. BOOZER: Well, when we talk about what happened at Two Bird Cove, first of all it has been designated as a special recreation area as far as the usage, or whatever, it is still going to be the same whether it's designated or not. Now, I guess what y'all's concern would be in this particular case would be what additional impact may occur in that area other than just folks going through there more. And those are the kind of issues that we will be discussed under the recreation or either in the --- we haven't really decided yet whether it's going to be the Recreation Committee or under the Land Use Committee. Because as you and I discussed, y'all were

concerned about what was going to happen on the land side of the Cove, what could people get out and picnic, people get out and build fires, the examples that you gave me in our discussion. And those will be addressed in this Committee and these Committees.

MR. PARSONS: Well, those are legitimate points of concern. Also, I think you have already talked about the water qualities in these coves. Is there going to be some cross hashed between this Committee's desire to respond to Recreation and the other Committee's requirement to look at water quality? Because you pack in a bunch of boats, you are going to affect that water quality. So, you already know that that is an environmentally sensitive area back in there, and so now you are going to put boats.

MR. BOOZER: Where?

MR. PARSONS: Well, you say in the outer part of the Cove. But there is no definition what the outer part of the Cove is, and there is no enforcement that I could see to try and limit boats to stay into that. Even if you came up with a specific number of boats you want to keep in there, there is no enforcement mechanism to do that. And, Tommy, the only other thing I would say in response to your point is, it's just going to be like it was. We thought it was okay to go ahead and make --- you know, to make the designation. Well, if it is going to be like it is, why make the designation? Why not leave it the way it was?

MR. BOOZER: Well, we say the same thing. But, we were ordered to make the designation by FERC.

MR. PARSONS: Now, why would FERC put pressure? Because somebody put pressure on them. Boaters. We never had a public hearing to get landowners appraised of what was going on and to get input from the landowners.

MR. ANDERSON: I would have to assume that as part of the SMP review process there was some public input to what was going on.

MR. PARSONS: I would love to see the documentation of where that is.

MR. STUART: Randy.

MR. RANDY MAHAN: Randy Mahan, SCANA Corporation. This did come out of a five year review program. In the five year review program, it is noticed and everybody had the opportunity to participate in that. And what happened in this case is that one of the interests that chose to participate in the review process made the request for special designation for two areas, Hurricane Cove and Two Bird Cove. We didn't have a lot we could respond to in regard to Two Bird Cove because we had never heard of it before.

MR. MAHAN: It took us months to have the person who made that request to even help us to identify what the heck he was talking about. But in any case, we were not asked by the FERC whether we thought it was a good idea. We were told by the FERC in spite of our response back to them that we didn't see the need for special designation, that we would specially designate this area. We were told to coordinate it to DNR, US Fish and Wildlife; and we did that. We concluded as you are quite correct, the back end of that cove, one is already identified as an

Environmental Assessment Area. It's really too shallow for much in the way of any kind of boating access. For sure it was too shallow for the deep keel sailboats back in the back end of the Cove. So, the idea is if you don't want and don't expect that these folks who made the request, which as the sailing community, to be going back in that way. So we didn't really have any good reason why we were designating an area. The designated area is just that. You have said, "Okay, this is a special area." What does it mean? We are not buoying it off, we are not putting signs up inviting people to do anything they weren't already doing. We simply have designated it as an area because we were required to by the FERC. I am not exactly sure what it means other than somebody said this is a nice area, we would like to designate it as special. I think what their idea is that by designating this area, then that gives them some protection in terms of activities along the shoreline that might otherwise be approved that would impact this specially designated area. So, if anything, I think in view of those people who made that request, and in the view of the FERC, by designating this as a special recreation area it gets some protection, because it's exactly the kind of things perhaps that you might be worried about. But again, it's a designation. SCE&G has no authority to control activities on the waters of the State of South Carolina, Lake Murray. We really don't have any ability to control anything. We do what the FERC told us, and we designated it because an interest group said they thought it needed to be, and it's done. But I am not sure, again, what ultimate affect that has on anything.

MR. PARSONS: Well, if your point is that it's done. Okay? I saw the memo from Tommy in which he tried to explain some of this stuff. And the statement in his memo says, "We had the concerns about it, but it has been decided after review that we will make the designation." I worked in Government for thirty years, so I understand. You were told to make the designation. It stinks because there was no public participation that I can see. I understand what you are saying. How much outreach do you suppose --- only people that had outreach to them that I can see is the boaters; they knew about it. But the homeowners got no opportunity to get any input into what was going on. I understand what you are saying.

MR. MAHAN: Well, just like any legal notice that goes in the paper, and you and I, unless we have got nothing else to do in our lives, don't read those things. There was notice that went out. But let me say this, we are working on new shoreline management plans built upon what we already have going forward. I don't see, quite frankly, anything that's off the table in terms of, "We think the plan needs to be amended, do we need to have this, this item or that item?" If there is something in the plan now including a special designation of Two Bird Cove that you believe needs to be addressed in this new plan, get your licks in now, get the comment in. As far as I am concerned, the same kind of issue that led the FERC to say, "We should designate it," can be applied to have them say, "Perhaps it does need to be designated." Don't give up now. Yes, the decision was made, but remember even before relicensing these plans were five years reviewed, every five years, for the opportunity to change, to adjust, to what we now know that we didn't know five years before. So, it's not fixed in concrete. I think that's the message I am trying to get to you. Now, the likelihood of undesignating an area, I don't know. Some folks might say we're backing up a little bit. But if you want to make the point, we will make the request if it's a legitimate request, get your comments into relicensing, comments into the FERC, get your comments in to folks who participated in the Shoreline Management Review process. And it may or may not be able to be addressed, but at least you will have gotten your point asked.

MR. ANDERSON: And to address your issue of like the cross hatching between water quality and these designations, one of the solution principles that I mentioned, obviously if we are

looking at adding a new facility or upgrading a facility is we do have to look at biological factors. You know, the people around that area, would they be supportive of a new site there or so? During this presentation it looks like we have all these side lines, you know, water quality, fish and wildlife. What we are missing is --- or, what is in place is there is an umbrella; it's called the Saluda Hydro Relicensing Group, which is pretty much everybody that has participated that will ultimately look, along with SCE&G management at what comes out of this process, and say, "Does it all fit together?" So, the cross hatching is being addressed. Any other questions on recreation?

(No response)

MR. ANDERSON: All right, let's move on to perhaps the most interesting, at least lively, RCG. Safety Resource Conservation Group, I am also the facilitator for this group. We have developed a Mission Statement just like the other RCGs. I don't want to sit here and read it off to you, but basically paring it down "*the mission of the Safety RCG is to make Lake Murray and the lower Saluda River as safe as is reasonably possible for the public.*" We are working on a safety program that will address many of the issues that have been brought up. We have having a meeting on Thursday, I didn't list that one this one; but it seems that that will be our sixth meeting on Thursday, July 20th. Again, these meetings notes are all on the website, they have been finalized. There is about, I believe, around twenty-five members in this RCG representing anywhere from Lake Murray Association to Lexington County Sheriff's Department, to the Columbia Fire Department, City of Columbia Parks and Recreation. We have got a whole gamut of interests represented in this group. There are two work products that we are currently discussing. One is the Work Plan, much like the Recreation RCG. This list, the identified issues that have been brought forth, the task and responsibilities of the RCG to address those issues, and the work scope and product. What is our ultimate destination out of this group? Which a draft outline has been submitted to the REG, which is one thing we will be discussing on Thursday, of a safety program. I don't want to get into it too much farther beyond that since the RCG really hasn't had a chance to comment on it. But, we will be working on that for at least the foreseeable future to work on our identified issues. And again, this is my interpretation, trying to break this down into about five bullets. The work plan will probably be on the website within the next month or so, hopefully a finalized work plan. And you can look at the details to these because it does get way more interesting than I could put in five bullets. First, fluctuating Lake and River levels has been brought forth that when the Lake drops down in the winter there are safety issues associated with that. Also, safety issues associated with fluctuating River levels when they start releasing water out of the Dam, there are some safety concerns in the River. Shoal markers, identification of shoals and who is responsible for marking those shoals is an issue that has been brought forth. Communications concerning Lake levels and releases from the Dam. Boat traffic and congestion, especially related to cove areas. Systematic collection of accident data on the Lake and the River. And, ingress/egress on the lower Saluda River, how do we get the people into the River safely? And if something happens, how do we get them out of the River safely? There is one Technical Working Committee that has been formed out of the RCG. We have named it the Hazardous Areas Technical Working Committee. The objective of that TWC is to identify unmarked hazards on the Lake and propose potential solutions to those unmarked hazards. We have one ongoing, or actually it's just a plan study right now. Like I said, this relates back to the Recreation RCG. At our last meeting we determined that that study was needed to assess this rate of change on the River and associated safety concerns. Rather than forming a new TWC just to address that, most of the people are --- all of the people on the Downstream Flows

Technical Working Committee out of the Recreation RCG are also in the Safety RCG. So, we just tasked that TWC with addressing safety concerns on the River. The same slide you saw a little while ago, it's in draft form; it has not gone out to the TWC yet. But these, I think, are agreed upon goals of the study. Basically, what is of concern to the Safety RCG is understanding the rate of change on the River, and identifying potential public safety issues associated with River flows.

Schedules for the Safety RCG, we will be finalizing the Mission Statement and Work Plan Thursday. I think we have completed identification of studies through the formation of a Hazardous Areas TWC in tasking the Downstream Flows TWC with addressing safety issues, as well. We are working on compiling accident data on the Lake through the help of South Carolina DNR, compiling accident data on the River through working with Columbia Fire Department and City of Columbia. Trout Unlimited, we are now using anecdotal data of what has happened on the River. Once we get all of this stuff together we are going to draft an outline; and the outline has been submitted to the RCG and we will be talking about that on Thursday of a safety program. I don't want to get too much into that since the RCG hasn't really had a chance to talk about it yet. And then, 2007/2008 we will finish up our work and provide comments on the draft license application; also, we will be taking recommendations and looking at what is happening in the other RCGs to make sure that safety is addressed with whatever agreements are put in place as a result of the relicensing process. Does anybody have any questions on Safety RCG?

(No response)

MR. ANDERSON: And if you like lively meetings, I would encourage you to show up. These usually are, at least from I have seen, the most animated --- the most animated group that I am working with, at least. All right, I will turn it back over to Alan, who will wrap this up. If anybody has additional questions that you thought of, I am sure we can address them at this point.

MR. STUART: Does anybody have any questions on the --- George?

MR. GEORGE DUKE: I have two fundamental questions. My name is George Duke, Lake Murray Homeowners Coalition. One is a process question, these presentations that we got today are a great summary for what has been going on. Will they be on the website?

MR. STUART: Yes, they will.

MR. DUKE: Thank you very much. One of the early things that I thought would be nice. We all know what Lake Murray looks like now, and it seems to me there was some discussion of a build out plan was to be put in the future. Where does that fall into this? Is there any plan to put a picture of what the Lake would like in the next twenty-five or thirty years, the license period?

MR. STUART: Bill Mathias, myself, Randy and Bill Argentieri all sat down after one of the Resource Conservation Groups we had recently; and the consensus was that Bill and I would sit down and try to develop some type of build out date and roll it out the groups to consider. But right now, I would say it's basically on Bill Mathias and my shoulders at this point.

MR. DUKE: And that will be shared with all the RCGs, as well as the quarterly meetings that bring in a lot of different homeowner diverse groups.

MR. STUART: Right.

MR. DUKE: Thank you.

MR. STUART: Anybody else?

(No response)

MR. STUART: We mentioned the website, I know you'll see a lot of information in here. This is our Saluda Hydro Relicensing website. This has all the information that is generated in this process. I was asked during the break if the RCG Groups and the Technical Working Committees were open to the public, they are, you can attend as an observer. Go to the calendar, it lists the meeting dates in advance; you just click on this. I am trying to stay back here to make sure George can hear me. It's a pretty user friendly website. As you can see it lists it a couple of months in advance. This identifies the next Lake and Land Management Resource Conservation Group, that's the big group. This would be a Technical Working Committee meeting. If you do plan to attend, you need to --- you can either e-mail Alison.Guth@KleinschmidtUSA.com; or, you can call our office. Most of our meetings are held at the Lake Murray Training Center, and there's a security gate there and you can't get through if you don't let us know, they will stop you. So, it is open to the public. Like I said, feel free to show up if you are so inclined. We have encouraged that from the start. The Resource Groups are all listed here. This is where you will find study plans, meeting minutes, mission statement for each one of the groups. This is the Lake and Land Management, here is all the Technical Working Committee meeting notes, just go there. They are in PDF format, they are easily accessible. And it goes through sequential order. Any questions on the relicensing?

(No response)

MR. STUART: Ultimately we have to file an application by August of 2008. What the application will do is it will analyze all the issues identified, and proposed mitigation measures. That's the most important document, it is a Federal law. It has to be filed two years in advance of the license expiration. So, that date will not change. Any questions? If you grabbed a pen and a pad when you came in, the relicensing website address is on both of those items. Yes, sir?

MR. ALAN BOSNEY (phonetic): Alan Bosney (phonetic) with the Lake Murray Association. You mentioned a build out study. Bill Mathias very rightly last winter at the Lake and Land Management voiced very strongly I thought that the need to a necessity for the build out study. I think that there are so many questions that we are addressing on recreation, safety and a multitude of other topics, that hinge directly on what we are going to look like twenty-five, thirty years down the road. The question is, how soon and when will that study be available? Because I think it's going to give direction to many of the Technical Working Groups, and RCGs, it's essential. And frankly, I was surprised that we didn't have such going into this process. And I don't think we can really be that meaningful in our goal and our direction unless, and until, we have that study. So, what is the schedule? Who all is developing it? When can we expect that we will have some data from such a study to give us guidance?

MR. STUART: As far as the schedule, I would imagine --- I haven't talked with Bill, but I would like to get something by the end of the year. You know, a study plan, if you will, to the RCGs to let them understand what we are trying to do, and what we are trying to accomplish with that. I would say by the end of the year you will see something. Bill?

MR. BILL MATHIAS: I am Bill Mathias, LMA, Lake Murray Power Squadron. It should be pointed out that we haven't found an example of anybody who has ever done a build out study. And the reason I got involved with all of these people who are working in this was my big mouth. Because, as you said, I think it is absolutely critical that this be done. But the problem is there is no simple plan or methodology to turn to and simply to apply that to this situation. So, the first problem that has got to be resolved is we have got to develop some kind of methodology about how to go about this. And that's the current sticking point. So, Bob or anybody else, if you have any ideas, e-mail me, Alan, anybody, we need all the help we can get because we are still trying to figure out exactly how to do it. But I think it is critical that it be done.

MR. STUART: I know I have done a little research, and Bill has as well, and I concur with what he said. In the FERC relicensing context it is new ground. There has been other planners and other, you know, for sub-divisions and some other things that I have seen out there; but this would be at least one of the first to do one in terms of build out for a FERC relicensing type project. But we certainly will take suggestions on the inputs and what you would like to try to see out of this build out. Other questions?

(No response)

MR. STUART: I would like to thank everyone for attending, it's good to see new faces. We will have virtually the same meeting again tonight. If there is something you thought about and want to ask, come on back to the 7:00 o'clock meeting.

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