



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE

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March 12, 2008

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Mr. James M. Landreth, Vice President
Fossil and Hydro Operations
South Carolina Electric & Gas Company
111 Research Drive
Columbia, South Carolina 29203

**Re: Saluda Hydroelectric Project (FERC No. 516), Draft License Application
Comments of National Marine Fisheries Service**

Dear Mr. Landreth:

NOAA's National Marine Fisheries Service (NMFS) reviewed the referenced Draft License Application provided with your letter dated December 13, 2007. The Saluda Hydroelectric Project (Project) is located on the Saluda River in Lexington, Newberry, Richland, and Saluda Counties, South Carolina. The following comments are provided in partial fulfillment of our congressionally mandated responsibilities pursuant to the Fish and Wildlife Coordination Act, the Federal Power Act, the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), and the Endangered Species Act.

General Comments

The draft license application is well prepared and provides adequate descriptions of Project operations, environmental settings, consultations, and licensing studies completed or in progress for this proceeding. A number of environmental studies are in progress and will need to be completed prior to full evaluation of Project effects on water, fishery, and wildlife resources and prior to development of adequate measures for protection, mitigation, and enhancement of those resources. The following specific comments, primarily in reference to the Environmental Report (Exhibit "E"), are intended to assist your staff in preparing the final license application.

Specific Comments

Section 2.6. Water Quality Impacts. As stated in the draft license application, this section will be completed for the final application after ongoing studies and consultations are finished.

NMFS recommendation: This section should fully describe the continuing effects of the Project



on water temperature, concentrations of dissolved oxygen, the suitability of spawning and maturation habitats, and the behavior of diadromous fish in the lower Saluda River and affected areas of the Congaree River. Diadromous species potentially affected include shortnose sturgeon, blueback herring, American shad, striped bass, and American eel. Any adversely affected habitats or habitats rendered unsuitable should be quantified in terms of location and area. Practical and specific measures to mitigate continuing Project impacts on affected species should be developed in consultation with the natural resource agencies for inclusion in the final application. Consultation in this regard is in progress through scheduled work group meetings.

Section 3.0. Aquatic Resources. This section of the draft application does not contain a subsection on Project effects or proposed measures for mitigation of continuing adverse project effects.

NMFS Recommendation: This section should contain a subsection identifying continuing Project effects on aquatic resources revealed through studies and interagency consultation, including shortnose sturgeon, American shad, blueback herring, striped bass, and American eel. Continuing Project effects to be addressed should include blockage of passage to and from historical spawning habitats and effects of Project operations on habitats within the lower Saluda River and upper Congaree River due to alterations of instream flows, dissolved oxygen concentrations, and water temperature. Determination of Project effects on diadromous species should be made in consultation with the natural resource agencies responsible for management of fishery resources and other interested stakeholders. Practical and specific recommended measures for mitigation of adverse Project effects should also be presented in this section.

Section 3.3. Diadromous Fish. This section briefly describes historical and present occurrence of diadromous fish in the lower Saluda River.

NMFS Recommendation: This section should be revised to describe the status of shortnose and Atlantic sturgeon in the Santee-Congaree River Basin, ongoing interagency recovery efforts, and the factors potentially affecting sturgeon recovery in the Saluda River and Congaree River.

Shortnose sturgeon are known to occur in the upper Congaree River, and this species is highly mobile with specific habitat use patterns and requirements. The Atlantic sturgeon is not documented to occur upstream from the Santee-Cooper Dams since the 1970s. Accessible spawning habitat for shortnose sturgeon is substantially reduced in the Santee River Basin by construction of dams during the 1800s and 1900s. The upper Congaree, Broad, and lower Saluda Rivers contain the best available remaining habitat with physical habitat characteristics suitable for spawning. NMFS considers those remaining river sections to be important for further recovery of shortnose sturgeon in the Santee River Basin. However, based on existing information, it is probable that hypolimnetic water releases from the Saluda Dam, and consequent temperatures below seasonal ambient conditions, may adversely affect shortnose sturgeon behavior, movements, and use of available spawning habitat in the lower Saluda River and portions of the Congaree River below the Broad River confluence. As noted in our comments on Section 3.0, practical and specific measures for mitigation of adverse Project

effects should be developed in consultation with the natural resource agencies and included in the final application.

Section 3.7. Threatened and Endangered Species. Refer to comments and recommendations in response to Section 3.0 and 3.3.

NMFS Recommendation: Shortnose sturgeon move upstream past the abandoned Granby Lock and Dam into the upper Congaree River and the Columbia Shoals, based upon telemetry studies conducted in 2003 and 2006 by Clemson University and South Carolina Department of Natural Resources in cooperation with NMFS. The navigation lock miter gates were removed long ago from the Granby Dam. Based on NMFS inspection, the open navigation lock should allow upstream and downstream passage during higher flow events, and partially restricted passage should occur during low flows. This section should be revised to reflect the known upstream distribution of shortnose sturgeon based upon recent study.

NMFS Recommendation: Section 3.7 should be revised to reflect that blueback herring and alewife are formally designated by NMFS as Species of Concern under the Endangered Species Act (ESA) because of declines in abundance range wide. Blueback herring are known to occur in the Santee River Basin; however presence of the alewife has not been confirmed. Species of Concern are those species about which NMFS has some concerns regarding status and threats, but for which insufficient information is available to indicate a need to list the species under the ESA.

Section 3.9. Diadromous Fish Sampling.

NMFS Comment: Subsection 3.9.1 contains a statement that “Shortnose sturgeon and Atlantic sturgeon also occurred historically in the sub-basin; however these species have not been recently documented upstream of the old Granby Lock and Dam (Congaree River).” As noted in response to Section 3.3, shortnose sturgeon is documented to pass the Granby Lock and Dam to the upper Congaree and Columbia Shoals.

NMFS Comment: The gillnet sampling conducted during 2005 and 2006 for diadromous fish provides useful information within realistic constraints of cost, staff availability, onsite river conditions, and safety concerns with night sampling. However, the limited individual net set time of approximately one hour during daylight, twice a week at each location, and with a 100-foot net is inadequate for determining the presence of sturgeon, shad, or herring and relative abundance of these species within a river of this size. Sampling during night hours is generally more effective for sturgeon, shad, and herring although safety concerns in the sampling area shoals are significant at night. Future monitoring of diadromous species, especially shortnose sturgeon, should be considered to assist in adequate monitoring, protection and recovery efforts.

Essential Fish Habitat Consultation Pursuant to the Magnuson-Stevens Act

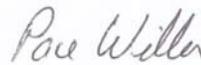
Areas within the influence of the Project do not contain Essential Fish Habitat (EFH). Accordingly, EFH Consultation pursuant to Section 305(B) of the Magnuson-Stevens Act and the EFH regulations (50 CFR 600.920) will not be required for this Project. However it is recommended that a paragraph to this effect be included in the final application for clarification purposes.

Consultation Pursuant to the Endangered Species Act

Recovery of the endangered shortnose sturgeon and the Atlantic sturgeon, a candidate for listing, are important goals for NMFS in the Santee-Cooper River Basin. The Saluda Project, in combination with other Commission licensed projects in the Basin, potentially affects important historical spawning or maturation habitats for diadromous fish including American shad, striped bass, American eel, and both sturgeon species. It is anticipated that the ongoing interagency coordination during this licensing proceeding will identify appropriate protection, mitigation, and enhancement measures for diadromous species including the endangered shortnose sturgeon. To assist the Commission in compliance with the ESA, and early identification of information needs and preparations for consultation we recommend you coordinate with Dr. Stephania Bolden of our Protected Resources Division at the letterhead address, by electronic mail at Stephania.Bolden@noaa.gov or at (727) 824-5312.

Thank you for the opportunity to provide comments. Related correspondence should be directed to the attention of Mr. Prescott Brownell at our Atlantic Branch office, Habitat Conservation Division, 219 Fort Johnson Road, Charleston, South Carolina, 29412. He may be reached by telephone at (843) 953-7204, or by e-mail: Prescott.Brownell@noaa.gov.

Sincerely,



/ for

Miles M. Croom
Assistant Regional Administrator
Habitat Conservation Division

cc: (via electronic mail)
Service List
SCDNR, Columbia
SCDHEC, Columbia
USFWS, Charleston
USEPA, Atlanta
NPS, Congaree National Monument
SAFMC
ASMFC
FERC
F/SER 3
F/SER 4