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FEDERAL ENERGY
REGULATORY COMMISSION



July 26, 2001

Mr. David P. Boergers
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: First Sixth Month Status Report on the Alternative Licensing Process for Alabama Power Company Hydroelectric Projects, FERC Nos. 2146 (Coosa River Project), 2165 (Warrior River Project), 82 (Mitchell Project), 618 (Jordan Project)
October 2000 – July 2001

Dear Mr. Boergers:

Enclosed is an original and eight (8) copies of Alabama Power Company's (APC) initial six-month status report for activities related to the relicensing of the Coosa River Project, Warrior River Project, Mitchell Project, and Jordan Project. APC filed a request to use Alternative Licensing Procedures (ALPs) on September 22, 2000, and the Federal Energy Regulatory Commission (FERC) approved APC's use of ALP for the referenced projects on January 29, 2001. As part of FERC's regulations for using alternative procedures¹, APC is required to submit a status report of the relicensing process every six months. Since APC began relicensing activities under 18 CFR §16.8 prior to receiving FERC's approval to use the ALPs, this status report also includes relicensing activities and milestones that were completed between February 2000 and January 29, 2001. Copies of all public correspondence and meeting summaries have been submitted to FERC as described in the Operating Procedures and Communications Plan.

The major categories of relicensing activities in this status report include 1) Stakeholder Consultation, 2) Consultation Activities and Issue Identification Workshops, 3) Development of Relicensing Teams, 4) Project Issues, 5) Alternative Licensing Procedures, 6) NEPA Scoping, and 7) Relicensing Website and Public Education and Outreach.

¹ Pursuant to 18 CFR §4.34(i).

1.0 Stakeholder Consultation and Training

APC began the relicensing process by contacting federal, state, and local agencies, Non-Governmental Organizations (NGOs), and members of the public (both organized groups and individuals), to solicit support for using the ALPs.

The following are a list of specific activities completed during the past six months related to this task:

- Between February 2000 and November 2000, APC met with over thirty-four (34) federal, state, and local agency personnel, NGOs, and members of the public.
- APC included information in its *Shorelines* newsletter describing the relicensing process and asking for public participation (circulation is approximately 20,000 persons and contains all known lakefront property owners and numerous other interested persons, businesses and agencies);
- APC published a relicensing brochure which was widely distributed
- APC developed lake recreation maps and provided them to all stakeholders and the general public
- APC published notices in several local newspapers.

2.0 Consultation Activities & Issue Identification Workshops

- APC distributed the Initial Information Packages (IIP) for each project on the following dates:
 - Warrior River Project October 6, 2000
 - Coosa River Project
 - Weiss October 31, 2000
 - Henry November 10, 2000
 - Logan Martin November 7, 2000
 - Lay November 20, 2000
 - Bouldin December 15, 2000
 - Mitchell Project November 29, 2000
 - Jordan Project December 15, 2000
- APC issued press releases and public notices of Issue Identification Workshops
- APC conducted both daytime and evening Issue Identification Workshops for the Warrior and Coosa River Projects on the following dates:
 - Warrior – November 1-2, 2000, Jasper, Alabama
 - Upper Coosa – December 5-6, 2000, Gadsden, Alabama
 - Lower Coosa – December 7, 2000, Montgomery, Alabama.

3.0 *Develop a Relicensing Team*

During the Issue Identification Workshops (see above), APC asked interested parties to sign up for one or more of the following relicensing teams:

- Coosa Cooperative Relicensing Team (CCRT)
 - Coosa Recreation Resource Advisory Team (RecRAT)
 - Coosa Ecological Resource Advisory Team (EcoRAT)
- Warrior Cooperative Relicensing Team (WCRT)

The table below summarizes all relicensing team meetings to date:

Team	Date	Agenda Items	Special Presentations
CCRT RecRAT EcoRAT	April 3, 2001	Develop organizational structure; Review Issues and issue development process; Review and discuss operating procedures; Discuss relicensing schedule	
WCRT	April 4, 2001	Develop organizational structure; Review Issues and issue development process; Review and discuss operating procedures; Discuss relicensing schedule	
RecRAT EcoRAT	May 2, 2001	Review of issue statements and sheets; Review and discuss existing information for each issue; Review mission statement, ground rules, and April 4, 2001 meeting summary; Provide relicensing website update	<ul style="list-style-type: none"> • FERC process, NEPA, and FERC website – Ron McKitrick, FERC; • Recreation Inventory – Bill Campbell, EPRO; • Coosa Hydro Operations – Andy Sheppard, APC
WCRT	May 3, 2001	Review of issue statements and sheets; Review and discuss existing information for each issue; Review mission statement, ground rules, and April 4, 2001 meeting summary; Provide relicensing website update	<ul style="list-style-type: none"> • FERC process, NEPA, and FERC website – Ron McKitrick, FERC; • Recreation Inventory – Bill Campbell, EPRO; • Warrior Hydro Operations – Andy Sheppard, APC

WCRT	June 20, 2001	Review revised operating procedures; Review communications plan; Discuss NEPA scoping strategies; Discuss the structure and function of Issue Action Groups (IAG); Discuss geographic scope; Discuss specific items for issues E6, E7, E12, R1, and R8	<ul style="list-style-type: none"> • Clean Water Partnership – Jim Moore, ADEM; • APC relicensing website – Shannon Dewberry, APC • APC Aquatic Plant Management and Mosquito control programs – Scott Lankford, APC • APC Water chemistry monitoring program – Bill Garrett and Jim Lochamy
CCRT (held jointly with WCRT during the morning session)	June 20, 2001	Reviewed revised operating procedures; Review communications plan; Discuss NEPA scoping strategies	<ul style="list-style-type: none"> • Clean Water Partnership – Jim Moore, ADEM; • APC relicensing website – Shannon Dewberry, APC • APC Aquatic Plant Management and Mosquito control programs – Scott Lankford, APC • APC water chemistry monitoring program – Bill Garrett and Jim Lochamy
RecRAT EcoRAT	June 21, 2001	Review May meeting summary; Review revised operating procedures; Discuss structure and function of IAGs; Discuss geographic scope; Discuss specific items for issues E6, E7, E12, R1, and R8	<ul style="list-style-type: none"> • APC Aquatic Plant Management and Mosquito control programs – Scott Lankford, APC; • APC water chemistry monitoring program – Bill Garrett and Jim Lochamy, APC; • APC relicensing website – Jason Moak, Kleinschmidt

5.0 Project Issues

Specific information gathered during the Issue Identification Workshops (2000) were grouped into specific Issue Statements. The Issue Statements were reviewed by the Coosa RATs and the WCRT for structure, content, and focus for resolution of issue. The Teams developed Issue Sheets for each Issue Statement that include: description of the issue, specific issues and questions raised during Issue Workshops (2000), geographic scope, existing information and information needed, potential solutions, and issue resolution or recommendation.

Ecological

- Coosa EcoRAT and WCRT have each formed Issue Action Groups (IAGs) to work on the Wetlands issue and the Threatened, Endangered, and Sensitive Species issue. Also, APC is compiling information that will aide the EcoRAT and WCRT in resolving the issue of Aquatic Plant Management, Exotic Species, and Mosquito Control. To avoid duplication of effort, the Coosa EcoRAT IAGs and WCRT IAGs will coordinate efforts to resolve these issues.
- APC continues to perform several studies that the relicensing teams will use to help resolve several issues. Those ongoing/recently completed studies include:
 - Water quality monitoring in all tailraces and reservoirs
 - Mussel surveys in tailraces and other areas of the project
 - Electrofishing in the section of the Coosa River bypassed by Weiss Dam.

Recreational

- The Coosa RecRAT has formed an IAG to begin resolving the issue of Recreational Management (access, facilities and use). Also, APC is gathering information to assist the RecRAT in resolving the issue of Public Education and Information.
- The WCRT is currently gathering additional information on the issue of existing Recreational Facilities. Also, the WCRT will coordinate with the Coosa RecRAT on the Public Education and Information issue.

6.0 *Alternative Licensing Procedures*

The primary activities related to the ALP are listed below.

- APC filed a “Request to use Alternative Licensing Procedures” with the Commission on September 22, 2000.
- FERC issued Notice Approving APC’s Use of Alternative Licensing Procedures on January 29, 2001.
- Operating Procedures and a Communications Plan for both the Coosa and Warrior relicensings have been finalized by the Teams and are included as an Appendix to this letter.

7.0 *NEPA Scoping*

Based on its relicensing activities to date, APC feels it has satisfied the most important NEPA scoping requirement – issue identification. As such, APC is interested in helping FERC satisfy the statutory requirements of NEPA while avoiding duplication of previous efforts (i.e. Issue Identification Workshops). APC has solicited input from the

relicensing teams on how the statutory NEPA scoping requirements can be satisfied. APC has identified and will work with several interested stakeholders, in coordination with FERC, to develop a practical approach to satisfying these requirements.

8.0 Relicensing Website

APC has developed a website, which will facilitate the dissemination of relicensing information to stakeholders, the general public, and FERC. The web address for this site is:

<http://www.southerncompany.com/alpower/hydro/>

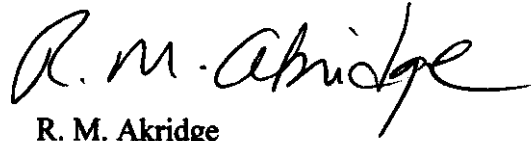
This website contains information related to every aspect of the Coosa-Warrior relicensing. All documents generated as part of the relicensing process will be placed on the site in Adobe Acrobat PDF format to allow anyone with an Internet connection a way to view and print these documents. APC feels that this site will prove invaluable as the process progresses.

The following is a list of major items of interest on the website:

- Relicensing Process
 - FERC relicensing
 - NEPA scoping
 - Alabama Power Cooperative Approach
 - Resource Advisory Teams
- Public Information File lists and request instructions
- Coosa and Warrior Project Information
 - Operations descriptions for all developments
 - ALP request and approval letters
 - Initial Information Packages
 - Mission Statements (WCRT, CCRT, and Coosa RATs)
 - Team information
 - Meeting packages (pre-meeting mailouts)
 - Meeting summaries
 - News/Press releases
 - Calendar of Events
- Contact information
 - APC
 - FERC
 - WCRT, CCRT, and Coosa RAT member lists

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

A handwritten signature in black ink that reads "R. M. Akridge". The signature is written in a cursive style with a large, sweeping initial "R" and a long, horizontal flourish at the end.

R. M. Akridge
Manager
APC Hydro Licensing

APPENDIX

- A1 – A13 Operating Procedures for the Relicensing of the Coosa River
Hydroelectric Developments
- A14 – A25 Operating Procedures for the Relicensing of the Warrior River
Hydroelectric Project
- A26 – A29 Communications Plan for the Relicensing of the Coosa and Warrior River
Hydroelectric Projects

**Operating Procedures for
the Relicensing of the
Coosa River Hydroelectric Developments
FERC Projects 2146, 82, 618**

The following Team Operating Procedures (OPs) are intended to facilitate communications and cooperation among Alabama Power Company (APC), the Resource Advisory Teams (RATs), the Coosa Cooperative Relicensing Team (CCRT), and the Federal Energy Regulatory Commission (FERC) during preparation of APC's license application and Preliminary Draft Environmental Assessment (PDEA) for the relicensing of the Coosa River hydroelectric developments (Weiss, N. Henry, Logan Martin, Lay, Mitchell, Bouldin, and Jordan) pursuant to 18 C.F.R. 4.34(i). These OPs will be filed with FERC as a supplement to the Communications Plan filed with FERC, as part of APC's request to use FERC's Alternative Licensing Procedures (ALP), on September 22, 2000.

Why Guidelines are Needed

This relicensing process will be complex and lengthy. There will be numerous meetings and discussions held over the next few years to identify and subsequently resolve project issues. There are also many stakeholders (*i.e.*, a person or group with a "stake" or interest in the outcome of the relicensing process) interested in working with APC to resolve these project issues, and some of the contact personnel for each stakeholder group may change during the process. Without guidelines, the process of conducting meetings efficiently and effectively, keeping the focus on resolving issues, and ensuring consistency during the length of the process will be difficult to achieve. Spending some time during the initial meetings to complete these procedures will save much time and possible confusion in the future. Since the process is a lengthy effort, these procedures are a framework and can be amended as the process develops when there is consensus among the Team to make changes.

Items Covered in the Operating Procedures

The following items are included in the OPs:

1. the relicensing mission statement;
2. structure and function of CCRT and RATs;
3. agency mandates;
4. meeting ground rules, meeting locations and logistics;
5. rules for the media and observers; and
6. procedures for making recommendations and addressing disputes; and
7. the communications plan.

A description of each item is discussed in detail below.

1.0 Relicensing Mission Statement

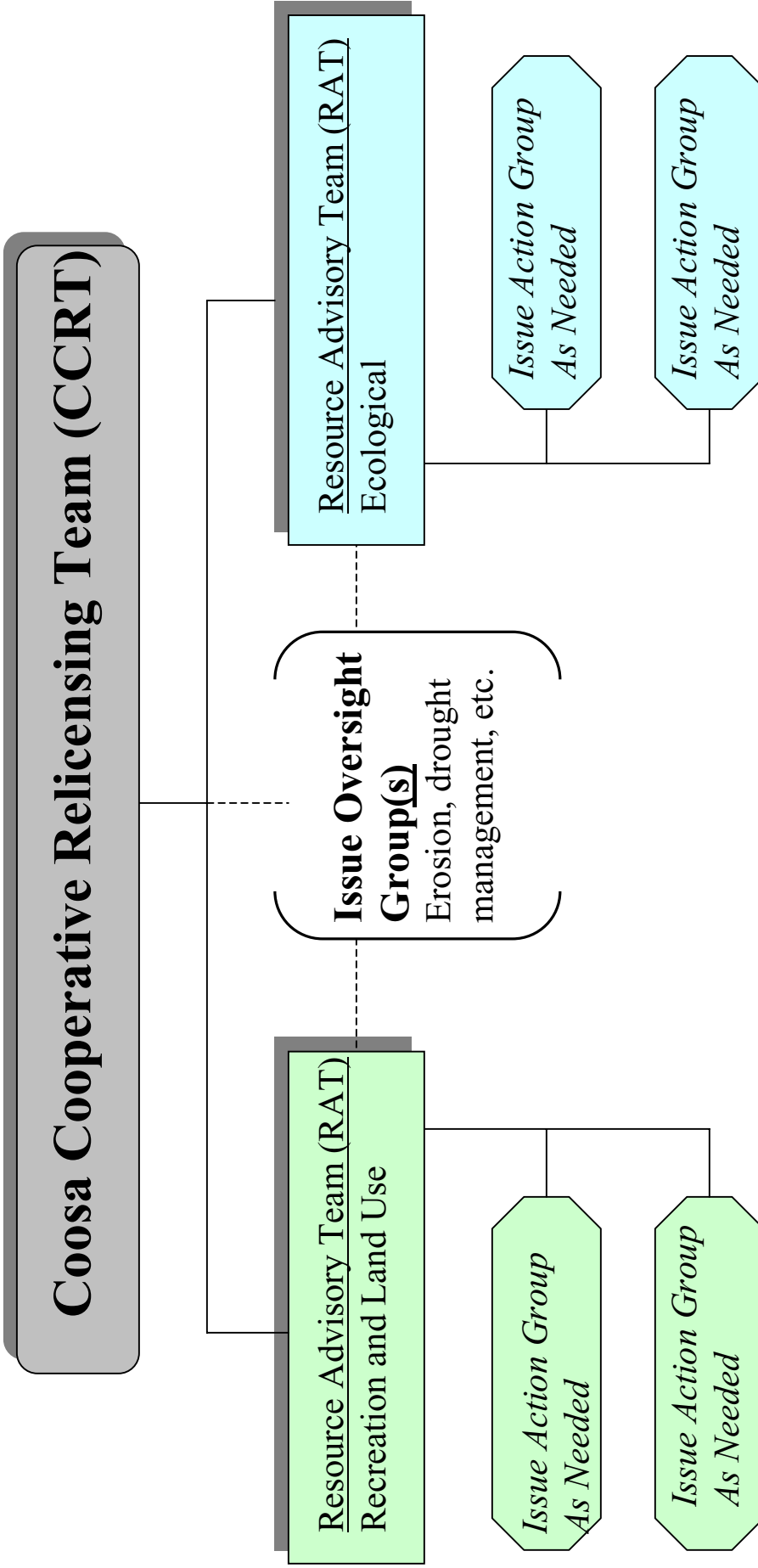
A mission statement is the “vision” or goal of a group. It is usually developed at the beginning of a process or activity and serves as a guidepost for keeping a group focused on why they are working together and what they are trying to accomplish. The following is the mission statement for the Coosa development relicensing.

1.1 Mission statement

“In relicensing seven hydroelectric developments on the Coosa River, pursuant to the regulations of the Federal Energy Regulatory Commission’s (FERC) Alternative Licensing Procedures, Alabama Power Company (APC) is pursuing a license that balances the benefits of developmental (*e.g.*, power generation, flood control, system reliability, water users, *etc.*) and non-developmental resources (*e.g.*, ecological and recreational, *etc.*). Stakeholders, including APC, are committed to working together to resolve issues in a manner that gives equal consideration to the developmental and non-developmental resources and will present the resolved issues to the FERC in 2005. Resolution of project issues will support a timely license issuance leading to the efficient and on going communication and implementation of protection, enhancement, and mitigation measures agreed to by APC and the stakeholders.”

2.0 Structure and Function of the CCRT and RATs

The CCRT and RATs are comprised of interested stakeholders who are committed to working with each other and with APC to identify project issues and to develop recommendations for resolving the issues. The CCRT and RAT stakeholders include APC, state and federal agencies, non-governmental organizations, home owner and boat owner groups, and private citizens who all share a concern for the resources of the projects. Based on information presented during the Issues Identification Workshops, there will be a Plenary Group (CCRT) that will be responsible for providing oversight and direction on resource issues, address process issues and provide a forum for further discussion and consensus; a smaller team that will focus on resolution of ecological issues (Ecological RAT); a smaller team that will focus on resolution of recreation issues (Recreation and Land Use RAT); Issue Action Groups (IAGs) that may be formed to address specific issues, as necessary; and Issue Oversight Groups (IOGs) that may be formed to address overlapping resource issue areas (see Figure 1).



2.1 Mission Statement for RATs and CCRT

As described above, each RAT and the CCRT may find it advantageous to have a mission statement to provide a framework for their goals and objectives. The following are mission statements for the CCRT and RATs.

“The mission of the Coosa Cooperative Relicensing Team (CCRT) is to provide a forum for discussing and resolving key issues related to relicensing of the Coosa River Project, Mitchell and Jordan Projects. The CCRT will focus on development of consensus-based recommendations regarding resource balancing and serve as the primary forum for any negotiated agreements.”

“The mission of the Coosa Resource Advisory Teams (RATs) is to identify resource specific issues, perform necessary studies, and develop a range of reasonable alternatives associated with the Coosa River, Mitchell, and Jordan Projects. The RAT’s goal is to develop consensus recommendations for resolving these issues. The RATs will serve as subcommittees to the CCRT.”

2.2 Role and Responsibility of Resource Advisory Teams (RATs)

- Define and understand issues
- Determine study needs/scopes
- Negotiate in good faith
- Develop recommendations for resolving issues

2.3 Role and Responsibility of CCRT

- Forum for discussion and consensus
- Balancing
- Process Review / Taskmaster

2.4 Role and Responsibility of Issue Action Group(s) (IAG)

- Form as needed to address very specific issues
- Develop workplans to include work tasks, deliverables, and schedule
- Complete Issue Sheets
- Develop study scopes and study plans
- Provide recommendations to RAT
- Number of CCRT and RAT members on an IAG may vary depending on issue, but should be approximately 5 to 7 team members

2.5 Role and Responsibility of Issue Oversight Group(s)

- Address issues that overlap the RATs
- Maintain consistency
- Provide recommendations to RATs for resolving conflicts

2.6 Team and Group Composition - CCRT and RATs

Many different groups and individuals are represented on the RATs and CCRT. To facilitate participation and effectiveness of the group to make decisions, each entity should select a primary spokesperson or representative and an alternate that will be able to speak for the organization or group, act in good faith, and will be responsible for disseminating information to their respective group or organization.

The group or organization will strive to maintain consistency in its participation on the RATs and CCRT. When the primary person can not attend or otherwise participate in meetings, etc., the alternate spokesperson will participate.

The following lists the composition of the RATs, CCRT, IAGs, and Issue Oversight Groups.

CCRT and RATs

- Facilitator
- APC Staff
- FERC staff
- Federal Resource Agencies
- State Resource Agencies
- Non-Governmental Organizations
- Homeowners Associations
- Individuals

Issue Action Group(s) Composition (approximately 5-7 individuals)

- Facilitator
- APC staff
- Representatives from the respective RATs

Issue Oversight Group(s) Composition

- Facilitator
- Representatives from the Ecological RAT
- Representatives from the Recreation RAT

2.7 Facilitation

Each team or group will have a facilitator. The facilitator's primary role is to manage the process, enforce the operating guidelines and ground rules, and work with all participants to build consensus and meet the goals of the process. For the CCRT and RATs, APC will select and fund a neutral facilitator. Facilitators for the IAGs will also be provided by APC. Other responsibilities of the facilitators include:

- Develop draft agendas
- Set and enforce deadlines
- Coordinate meetings of the CCRT, RATs, IAGs and other groups
- Moderate meetings
- Provide guidance on substance and process
- Enforce ground rules and operating guidelines
- Prepare meeting summaries
- Track action items
- Keep the group focused on its goals
- Ask questions to clarify
- Ensure that meetings are conducted fairly, with opportunity for participation by all

If a team member at any time during the process feels that the facilitator is not being effective in performing his/her responsibilities, the team member should raise the issue with APC and the other team members. APC will discuss the problems with the other team members and the facilitator(s). If selection of another facilitator is the recommended action, team members will have an opportunity to provide input to APC on the selection of a facilitator(s).

2.8 Communication

Communications will be governed based on the Communications Plan filed with FERC on September 22, 2000. Communications include written correspondence, e-mails, and individual and conference telephone calls. Another form of communication will include information posted on the APC Relicensing Website. Communications will take place according to participation in the process – EcoRAT, RecRAT, and CCRT. Each of the team members at each respective level will be included or informed of communications made during the relicensing process. The idea is to keep the lines of communication open during the relicensing process and make it easy for relicensing participants and the general public to get information.

3.0 Agency Mandates

While some CCRT and RAT members represent non-governmental organizations, home owner and boat owner associations, as well as local entities, some of the CCRT and RAT members represent federal, state and local resource agencies with specific mandates stipulated by federal and state law. It is important that all stakeholders understand the statutory responsibility of these team

members in order to have constructive dialogue and to recognize the authority by which they participate in the process. Below we list each of the federal, state and local resource agencies with mandates requiring participation in this relicensing process.

- Federal Energy Regulatory Commission (FERC)
- U.S. Department of Interior – Fish and Wildlife Service (FWS)
- U.S. Department of Commerce – National Marine Fisheries Service (NMFS)
- U.S. Department of Interior – National Park Service (NPS)
- U.S. Department of the Army – U.S. Corps of Engineers (ACOE)
- U.S. Environmental Protection Agency (EPA)
- U.S. Geological Survey (USGS)
- Alabama Department of Environmental Management (ADEM)
- Alabama Department of Conservation and Natural Resources (ADCNR)
- Alabama State Historic Preservation Officer (SHPO)
- Alabama Department of Economics and Community Affairs (ADECA)
- Alabama Public Service Commission (APSC)
- Georgia Department of Natural Resources (GDNR)
- Georgia Environmental Protection Division (GEPD)
- Georgia State Historic Preservation Officer (GA SHPO)

4.0 Meeting Ground Rules, Locations and Logistics

Ground rules are developed and used to govern procedural matters for the CCRT and RATs and IAGs during the relicensing process. These ground rules shall have no effect upon the substantive statutory rights or obligations of any participant. Repeated infractions of the ground rules listed below may result in the request that the person find a replacement to participate in the process. The following are Team ground rules.

- Listen and respect others' opinions
- No talking when others are talking
- Stay focused on the issues - No "grandstanding"
- Be courteous – no personal attacks
- Be prepared for meetings or other activities
- Commit to working to resolve disagreements
- Leave baggage (old disputes) at the door
- Act in good faith
- Begin and end meetings on time
- Allow adequate breaks during meetings
- To the extent possible, please turn cell phones off

4.1 Meeting Locations and Schedule

APC recognizes that the Coosa River developments span over 100 river miles and that there are many groups and individuals that want to participate in the process. APC

desires to work with stakeholders to develop a schedule that includes the most practical location and meeting times to accommodate the majority of participants.

The RATs and CCRT will meet according to a schedule to be determined by the team members. In general, meetings will be held at least 4 to 6 times per year and more frequently as needed to resolve issues. The Team will determine the dates of future meetings at least three months in advance wherever possible. The Team recognizes that a three-month schedule is probably not feasible for the IAGs which may meet on a weekly basis during the relicensing process.

During the April 3, 2001 Coosa Relicensing Team meeting, team members voiced their preference for a central meeting location and one that would be convenient, to the extent possible, for team members who also serve on the Warrior Cooperative Relicensing Team (WCRT). The preferred meeting location is Birmingham, with occasional meetings, as needed, at specific areas in the basin.

Team meetings are also scheduled for September and December 2001. APC will provide, to the extent possible, a calendar of proposed dates for 2001 and subsequent CCRT and RAT meetings at least three months in advance.

In general, meetings will be held between the hours of 8:30 a.m. and 4:00 p.m. Every effort will be made to begin and end meetings on time. Lunch will be provided and adequate breaks will occur during the meetings.

APC may also provide, on a case-by-case basis for emergency or extenuating circumstances, telephone conference calling access for the CCRT or RAT meetings. In general however, APC discourages the use of telephone conference calls for large group meetings, as it tends to distract from the overall quality and efficiency of the discussion. APC does encourage the use of telephone conference calls for IAG meetings, as those groups will be comprised of much smaller membership and will meet on a more frequent basis.

4.2 Meeting Procedures

- 1) APC will notify all team members at least two weeks in advance of the next planned meeting. At that time a meeting agenda and anticipated meeting schedule will be provided. APC will also distribute any documents or other information that will be the subject of meeting discussions.
- 2) CCRT and RAT members agree to RSVP to APC upon receipt of the meeting notice so that meeting facility and lunch arrangements can be appropriately planned. Team members agree to attempt to attend all meetings or to appoint an alternate representative to attend if possible.
- 3) Team members also agree to review all documents provided prior to the meeting in order to come to the meeting prepared to fully discuss issues on the meeting

agenda. Team members agree to be prepared to discuss issues within their area of interest and expertise.

- 4) All team members shall arrive for the meetings on time.

4.3 General Administrative Rules

- 1) All meetings will be planned for a fixed time duration and every effort will be made to begin and end meetings on time.
- 2) Facilitators will be used to ensure that the meetings are conducted in an effective and expeditious manner.
- 3) APC will have a designated notetaker at each CCRT and RAT meeting. Meeting notes will be taken by APC and draft meeting summaries will be prepared by APC and distributed to team members three weeks following the meeting. Team members will have two weeks to comment / correct errors in the summary and notify APC of any changes. The prior meeting's summary will be reviewed and formally approved at the next team meeting.
- 4) **Parking Lot** - During the course of this relicensing process many issues, comments, and topics will be raised by CCRT, WCRT and RAT members. All team member input is important to this relicensing process and will be considered and addressed. Due to time constraints of each meeting and to ensure efficient and successful meetings, the agenda for each meeting will be followed closely. However, APC realizes that some non-agenda topics will be raised at the meetings and will need to be addressed somewhere in the process. Understanding the importance of recording and addressing these items at a subsequent meeting, APC intends to list such items in a "parking lot" system. Items in the "parking lot" will be incorporated into future meeting agendas and may also be discussed by IAGs between meetings. Team members may send items for the "parking lot" by fax, electronic or hard copy mail, or telephone call, to Viki Jenkins between meetings or team members may raise items for the "parking lot" at the meeting. Any fax, electronic or hard copy mail should be clearly labeled as "Parking Lot Items, Ideas or Comments".
- 5) **Procedures for New Team Members** - To ensure a successful ALP, APC attempted to contact all potentially interested parties, including federal, state and local agencies, non-governmental organizations, and home and boat owners between October 1999 and March 2001. APC also conducted six "Issue Identification Workshops" in November and December of 2000 to further identify potentially interested parties and recognize their interests in the relicensing of the projects. From this public outreach process, APC formed the WCRT and CCRT, the RATs, and identified three levels of stakeholder participation. Since participating on a Team involves actively attending multiple

meetings and promptly responding to document review and comment, APC further developed these three participation levels so that all stakeholders could be involved, to varying degrees, in the relicensing process.

Tier 1 participation includes those individuals who actively participate on one or more of the relicensing teams (WCRT, CCRT, or RAT). A *Tier 1* commitment involves regular attendance at meetings and active review and comment on varying relicensing documents.

Tiers 2 and 3 include individuals who are interested in receiving various mailings but are not members of one of the relicensing teams and do not usually attend meetings. *Tier 2* individuals receive a majority of the relicensing documents, including study plans, study reports, FERC notices, etc. *Tier 3* stakeholders receive only FERC Notices and major relicensing milestone documents (such as the Initial Information Packages, NEPA Scoping Document, and draft and final license applications and NEPA documents). *Tier 2 and 3* stakeholders may provide comments in writing or in person by attending relicensing team meetings. When attending meetings, *Tier 2 and 3* members will have an opportunity to discuss their comments or raise an item for the “parking lot” at an appropriate time as designated in the meeting agenda.

APC invites and encourages, at anytime during this process, all interested parties to participate on any level of the relicensing of the Coosa and Warrior Projects. In order to become a *Tier 2 or 3* stakeholder, an individual should contact Viki Jenkins to be added to the mailing list. Since *Tier 1* stakeholders have made long-term commitments of time and energy with the goal of reaching consensus on the issues, a different procedure is to be followed for individuals to become *Tier 1* members, as described below. This process will also be used for those *Tier 1* members who miss more than one scheduled meeting.

Stakeholders who are interested in participating on the CCRT, WCRT or RATs and who wish to actively attend team meetings must review several work products and Team guidelines prior to attending their first meeting. These items include the Operating Procedures, Ground Rules, Communication Plan, Issue Sheets, process information, relevant study plans/reports and agreements, and Team decisions and outcomes to date. Since Teams are responsible for maintaining progress and enforcing previous agreements, new *Tier 1* members must:

- ❑ follow all agreements regarding the process and all work performed to date,
- ❑ agree to encourage and maintain the continuity and forward progress of the Team(s), and
- ❑ respect decisions made by *Tier 1* members in attendance at the previous meetings, all of which are crucial to the timely resolution of issues.

Items that have been discussed and resolved by the Teams will not be renegotiated with the new team member during a meeting.

To obtain all relevant documents, new members should contact Viki Jenkins. Documents will be sent to new members and arrangements will be made to discuss those documents, including specific items and overall intent, with the new *Tier 1* member **prior** to attending a meeting. APC will also assist the new *Tier 1* member by providing a list of other *Tier 1* members who may be contacted to provide an update of the process and to discuss any specific resource issues that may have been previously discussed, including a status of resolution.

The following is the process for new *Tier 1* participants.

- Person wishes to become a *Tier 1* stakeholder and contacts APC (Viki Jenkins).
- APC sends *Tier 1* stakeholder all relevant process documents, including Final Operating Procedures, Communication Plan, Ground Rules, Issue Sheets, and all other final documents as well as those that are in progress. The new *Tier 1* stakeholder must review all documents prior to their first Team meeting. If he/she has any questions or comments, he/she must contact APC or other *Tier 1* members prior to attending the next scheduled meeting.
- APC also sends a list of other *Tier 1* team members as contacts for the new *Tier 1* member.
- The stakeholder confirms with APC their intent to participate in the relicensing at the *Tier 1* level.

This procedure is not designed to discourage including new stakeholders in the relicensing process. Rather, the goal of this procedure is to respect the efforts and decision making of the Teams and to ensure timely resolution of the issues and preparation and completion of a Draft Environmental Assessment and license application by July 2005.

5.0 Rules for Media and Observers

During the process, the media and other persons or groups may desire to attend a CCRT or RAT meeting. The meetings will be open to the public but as observers only. Time will be reserved at each meeting to take questions and comments from persons attending meetings as observers. If a person wishes to participate at the level required by the Teams and agrees to abide by the OPs, they may request to APC and the Teams to become a CCRT or RAT member (see Procedures for New Team Members Section 4.3)

CCRT and RAT members will not use the media as a place to discuss positions and views of other members. All news releases to the media will be coordinated through the CCRT. Negotiations and information shared at the CCRT and RATs should be considered confidential to the Team and its members.

6.0 Procedures for Making Recommendations

As discussed throughout these OPs, the CCRT and RATs function in an advisory capacity to APC in relicensing the Coosa River developments. APC must file a license application and APEA in 2005. While advisory in nature, APC intends to encourage and promote consensus-based decisions regarding proposals and recommendations for protection, enhancement and mitigation measures.

For purposes of this cooperative alternative licensing process, consensus is defined as agreement by all, some of whom can “live with” the decision while others might agree in total.

The following describes the procedures for making recommendations within the CCRT and RATs.

- 1) RAT members discuss issue and all existing information.
- 2) Members discuss alternatives and propose an action
- 3) Any active participant or the facilitator can propose a recommendation related to any procedural or technical matter.
- 4) Members provide information to support their proposed recommendation.
- 5) Any participant has the right to participate in the decision and the team member(s) or facilitator can postpone a decision if it is felt that other team members should be present.
- 6) If action items are identified, a list should include the team member(s) responsible for the action item and a schedule for completing a specific action or task.
- 7) Determine if there is consensus (agreement by all as defined above) or disagreement
- 8) If consensus exists, the decision will be documented and included in the final license application, NEPA document and if appropriate any formal agreements.
- 9) If there is disagreement, the team member(s) should state their disagreement and the reasons for the disagreement and have it recorded in the meeting summary.
- 10) Items that were disagreed upon will be recorded and kept by the facilitator for reconsideration at an appropriate point in the process.
- 11) Attempt to resolve disputes, if necessary first by compromise and good faith efforts, recognizing that each team member might not find the resulting decision to be their preferred decision but the rather the decision is in the best interest of the Team.
- 12) If a dispute still exists, every effort will be made to use other informal conflict resolution techniques, including, but not limited to, expert panels, technical experts, mediation by the facilitator, etc.
- 13) If a dispute still exists, APC—with the team members’ input—will evaluate the use of formal dispute resolution techniques and services such as a third party mediator and FERC’s Office of Alternative Dispute Resolution.

- 14) If consensus is not reached in the CCRT and RATs, and options for dispute resolution have not resulted in agreement, the issue and options for resolving the issue as well as alternatives will be forwarded to APC for discussion and inclusion in the PDEA.
- 15) Recommendations for resolution are encouraged at both the RAT and IAG levels. These recommendations will be coordinated and consolidated at the CCRT into overall resolutions and recommendations.

The process of reaching consensus on the issues and the preferred option for the license applications and NEPA documents must occur within a statutory time frame. One stakeholder's disagreement with one or more aspects of the preferred option or settlement will not negate the efforts and agreement by the other team members.

7.0 Other Items

7.1 Termination of Alternative Licensing Process

If any member of the CCRT or RAT wishes to terminate use of the alternative licensing process, he/she may submit a request to do so by following the procedures set forth in 18 C.F.R. §4.34(i)(7). The departure of one or more members of this relicensing process does not end the process for APC and other members that choose to continue participation. APC also has the right to discontinue the ALP process after consultation with FERC. This is not anticipated and APC is committed to fulfilling its obligations in this ALP process and negotiate in good faith with relicensing team members.

7.2 Submission to the FERC of the Operating Procedures

These OPs will be submitted to the FERC and included as part of the official record.

7.3 Duration of the Relicensing Team

Consistent with the FERC regulations, the CCRT and RATs will operate only until the license applications and APEAs are filed, at which time the CCRT and RAT will dissolve. Thereafter, unless otherwise agreed to by the CCRT and RAT, if there is a need for continued settlement discussions, and the continuing parties want to utilize the prior procedures, the procedures must be re-executed by the continuing parties.

**Operating Procedures for
the Relicensing of the
Warrior River Hydroelectric Project
FERC Project 2165**

The following Team Operating Procedures (OPs) are intended to facilitate communications and cooperation among Alabama Power Company (APC), the Warrior Cooperative Relicensing Team (WCRT) and the Federal Energy Regulatory Commission (FERC) during preparation of APC's license application and Preliminary Draft Environmental Assessment (PDEA) for the relicensing of the Warrior River hydroelectric project (Smith and Bankhead developments) pursuant to 18 C.F.R. 4.34(i). These OPs will be filed with FERC as a supplement to the Communications Plan filed with FERC, as part of APC's request to use FERC's Alternative Licensing Procedures (ALP), on September 22, 2000.

Why Guidelines are Needed

This relicensing process will be complex and lengthy. There will be numerous meetings and discussions held over the next few years to identify and subsequently resolve project issues. There are also many stakeholders (*i.e.*, a person or group with a "stake" or interest in the outcome of the relicensing process) interested in working with APC to resolve these project issues, and some of the contact personnel for each stakeholder group may change during the process. Without guidelines, the process of conducting meetings efficiently and effectively, keeping the focus on resolving issues, and ensuring consistency during the length of the process will be difficult to achieve. Spending some time during the initial meetings to complete these procedures will save much time and possible confusion in the future. Since the process is a lengthy effort, these procedures are a framework and can be amended as the process develops when there is consensus among the Team to make changes.

Items Covered in the Operating Procedures

The following items are included in the OPs:

1. the relicensing mission statement;
2. structure and function of the WCRT;
3. agency mandates;
4. meeting ground rules, meeting locations and logistics;
5. rules for the media and observers;
6. procedures for making recommendations and addressing disputes; and
7. the communications plan.

A description of each item is discussed in detail below.

1.0 Relicensing Mission Statement

A mission statement is the “vision” or goal of a group. It is usually developed at the beginning of a process or activity and serves as a guidepost for keeping a group focused on why they are working together and what they are trying to accomplish. The following is the mission statement for the Warrior Project relicensing.

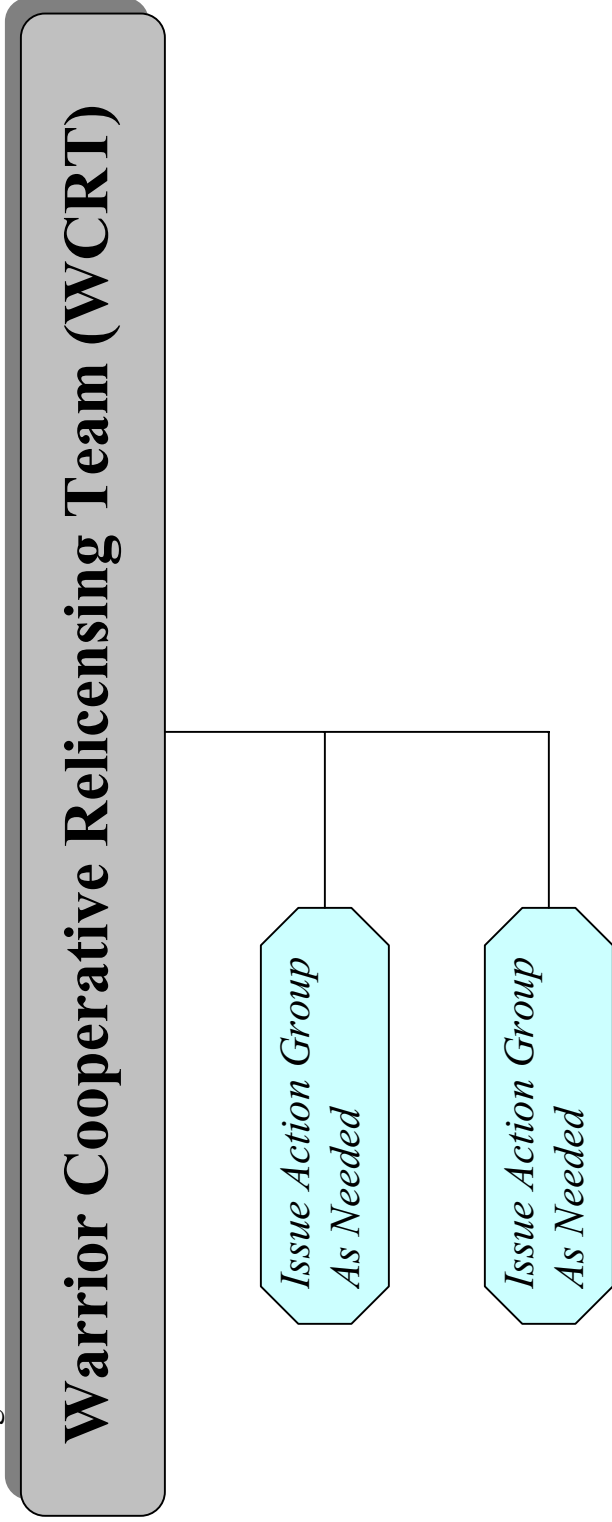
1.1 Mission statement

“In relicensing the Warrior River Project on the Warrior River, pursuant to the Federal Energy Regulatory Commission’s (FERC) Alternative Licensing Procedures regulations, Alabama Power Company (APC) is pursuing a license that balances the benefits of developmental (*e.g.*, power generation, flood control, system reliability, water users, etc.) and non-developmental resources (*e.g.*, ecological and recreational, etc.). Stakeholders, including APC, are committed to working together to resolve issues in a manner that gives equal consideration to the developmental and non-developmental resources and will present the resolved issues to the FERC in 2005. Resolution of project issues will support a timely license issuance leading to the efficient and on-going communication and implementation of protection, enhancement and mitigation measures agreed to by APC and the stakeholders.”

2.0 Structure and Function of the WCRT

The WCRT is comprised of interested stakeholders who are committed to working with each other and with APC to identify project issues and to develop recommendations for resolving the issues. The WCRT stakeholders include APC, state and federal agencies, non-governmental organizations, home owner and boat owner groups, and private citizens who all share a concern for the resources of the projects. Based on information presented during the Issues Identification Workshops, the WCRT will focus on ecological and recreational issues at the project, with Issue Action Groups (IAGs) that may be formed to address specific issues, as necessary (see Figure 1).

Figure 1



2.1 Mission Statement for the WCRT

As described above, the WCRT may find it advantageous to have a mission statement to provide a framework for its goals and objectives. The following is the mission statement for the WCRT.

“The mission of the Warrior Cooperative Relicensing Team (WCRT) is to provide a forum for discussing and resolving key issues related to relicensing of the Warrior River Project. The WCRT will focus on development of consensus-based recommendations regarding resource balancing and serve as the primary forum for any negotiated agreements.”

2.2 Role and Responsibility of the Warrior Cooperative Relicensing Team (WCRT)

- Define and understand issues
- Determine study needs/scopes
- Negotiate in good faith
- Develop recommendations for resolving issues
- Forum for discussion and consensus
- Balancing
- Process Review / Taskmaster

2.3 Role and Responsibility of Issue Action Group(s)

- Form as needed to address very specific issues
- Develop workplans to include work tasks, deliverables and schedule
- Complete Issue Sheets
- Develop study scopes and study plans
- Provide recommendations to WCRT
- Number of WCRT members on an issue action group may vary depending on issue but should be approximately 5-7 team members.

2.4 Team and Group Composition - WCRT

Many different groups and individuals are represented on the WCRT. To facilitate participation and effectiveness of the group to make decisions, each entity should select a primary spokesperson or representative and an alternate that will be able to speak for the organization or group, act in good faith, and will be responsible for disseminating information to their respective group or organization.

The group or organization will strive to maintain consistency in its participation on the WCRT. When the primary person can not attend or otherwise participate in meetings, etc., the alternate spokesperson will participate.

The following lists the composition of the WCRT and the IAGs.

WCRT

- Facilitator
- APC Staff
- FERC staff
- Federal Resource Agencies
- State Resource Agencies
- Non-Governmental Organizations
- Homeowners Associations
- Individuals

Issue Action Group(s) Composition (approximately 5-7 individuals)

- Facilitator
- APC staff
- Representatives from the WCRT

2.5 Facilitation

Each team or group will have a facilitator. The facilitator's primary role is to manage the process, enforce the operating guidelines and ground rules, and work with all participants to build consensus and meet the goals of the process. For the WCRT, APC will select and fund a neutral facilitator. Facilitators for the IAGs will also be provided by APC. Other responsibilities of the facilitators include:

- Develop draft agendas
- Set and enforce deadlines
- Coordinate meetings of the WCRT and IAGs
- Moderate meetings
- Provide guidance on substance and process
- Enforce ground rules and operating guidelines
- Prepare meeting summaries
- Track action items
- Keep the group focused on its goals
- Ask questions to clarify
- Ensure that meetings are conducted fairly, with opportunity for participation by all

If a team member at any time during the process feels that the facilitator is not being effective in performing his/her responsibilities, the team member should raise the issue with APC and the other team members. APC will discuss the problems with the other team members and the facilitator(s). If selection of another facilitator is the recommended action, team members will have an opportunity to provide input to APC on the selection of a facilitator(s).

2.6 Communication

Communications will be governed based on the Communications Plan filed with FERC on September 22, 2000. Communications include written correspondence, e-mails, and individual and conference telephone calls. Another form of communication will include information posted on the APC Relicensing Website. Communications will take place according to participation in the process. Each of the team members at each respective level will be included or informed of communications made during the relicensing process. The idea is to keep the lines of communication open during the relicensing process and make it easy for relicensing participants and the general public to get information.

3.0 Agency Mandates

Some of the WCRT members represent federal, state and local resource agencies with specific mandates stipulated by federal and state law. Other WCRT members represent non governmental organizations, homeowner and boat owner associations, as well as local entities. It is important that all stakeholders understand the statutory responsibility of these team members in order to have constructive dialogue and to recognize the authority by which they participate in the process. Below we list each of the federal, state and local resource agencies with mandates requiring participation in this relicensing process.

- Federal Energy Regulatory Commission (FERC)
- U.S. Department of Agriculture – Forest Service (USFS)
- U.S. Department of Interior – Fish and Wildlife Service (FWS)
- U.S. Department of Commerce – National Marine Fisheries Service (NMFS)
- U.S. Department of Interior – National Park Service (NPS)
- U.S. Department of the Army – U.S. Corps of Engineers (ACOE)
- U.S. Environmental Protection Agency (EPA)
- U.S. Geological Survey (USGS)
- Alabama Department of Environmental Management (ADEM)
- Alabama Department of Conservation and Natural Resources (ADCNR)
- Alabama State Historic Preservation Officer (SHPO)
- Alabama Department of Economic and Community Affairs (ADECA)
- Alabama Public Service Commission (APSC)

4.0 Meeting Ground Rules, Locations and Logistics

Ground rules are developed and used to govern procedural matters for the WCRT and IAGs during the relicensing process. These ground rules shall have no effect upon the substantive statutory rights or obligations of any participant. Repeated infractions of the ground rules listed below may result in the request that the person find a replacement to participate in the process. The following are Team ground rules.

- Listen and respect others' opinions
- No talking when others are talking

- Stay focused on the issues - No “grandstanding”
- Be courteous – no personal attacks
- Be prepared for meetings or other activities
- Commit to working to resolve disagreements
- Leave baggage (old disputes) at the door
- Act in good faith
- Begin and end meetings on time
- Allow adequate breaks during meetings
- To the extent possible, please turn cell phones off

4.1 Meeting Locations and Schedule

APC recognizes that there are many groups and individuals that want to participate in the process. APC desires to work with stakeholders to develop a schedule that includes the most practical location and meeting times to accommodate the majority of participants.

The WCRT will meet according to a schedule to be determined by the team members. In general, meetings will be held at least 4 to 6 times per year and more frequently as needed to resolve issues. The Team will determine the dates of future meetings at least three months in advance wherever possible. The Team recognizes that a three-month schedule is probably not feasible for the IAGs which may meet on a weekly basis during the relicensing process.

During the April 4, 2001 WCRT meeting, team members voiced their preference for a central meeting location and one that would be convenient, to the extent possible, for team members who also serve on the Coosa Relicensing Teams. The preferred meeting location is Birmingham, with occasional meetings, as needed, at the Warrior Project.

Team meetings are also scheduled for September and December 2001. APC will provide, to the extent possible, a calendar of proposed dates for 2001 and subsequent WCRT meetings at least three months in advance.

In general, meetings will be held between the hours of 8:30 a.m. and 4:00 p.m. Every effort will be made to begin and end meetings on time. Lunch will be provided and adequate breaks will occur during the meetings.

APC may also provide, on a case-by-case basis for emergency or extenuating circumstances, telephone conference calling access for the WCRT meetings. In general however, APC discourages the use of telephone conference calls for large group meetings, as it tends to distract from the overall quality and efficiency of the discussion. APC does encourage the use of telephone conference calls for IAG meetings, as those groups will be comprised of much smaller membership and will meet on a more frequent basis.

4.2 Meeting Procedures

- 1) APC will notify all team members at least two weeks in advance of the next planned meeting. At that time a meeting agenda and anticipated meeting schedule will be provided. APC will also distribute any documents or other information that will be the subject of meeting discussions.
- 2) WCRT members agree to RSVP to APC upon receipt of the meeting notice so that meeting facility and lunch arrangements can be appropriately planned. Team members agree to attempt to attend all meetings or to appoint an alternate representative to attend if possible.
- 3) Team members also agree to review all documents provided prior to the meeting in order to come to the meeting prepared to fully discuss issues on the meeting agenda. Team members agree to be prepared to discuss issues within their area of interest and expertise.
- 4) All team members shall arrive for the meetings on time.

4.3 General Administrative Rules

- 1) All meetings will be planned for a fixed time duration and every effort will be made to begin and end meetings on time.
- 2) Facilitators will be used to ensure that the meetings are conducted in an effective and expeditious manner.
- 3) APC will have a designated notetaker at each WCRT meeting. Meeting notes will be taken by APC and draft meeting summaries will be prepared by APC and distributed to team members three weeks following the meeting. Team members will have two weeks to comment / correct errors in the summary and notify APC of any changes. The prior meeting's summary will be reviewed and formally approved at the next Team meeting.
- 4) **Parking Lot** - During the course of this relicensing process many issues, comments, and topics will be raised by CCRT, WCRT and RAT members. All team member input is important to this relicensing process and will be considered and addressed. Due to time constraints of each meeting and to ensure efficient and successful meetings, the agenda for each meeting will be followed closely. However, APC realizes that some non-agenda topics will be raised at the meetings and will need to be addressed somewhere in the process. Understanding the importance of recording and addressing these items at a subsequent meeting, APC intends to list such items in a "parking lot" system. Items in the "parking lot" will be incorporated into future meeting agendas and may also be discussed by IAGs between meetings. Team members may send

items for the “parking lot” by fax, electronic or hard copy mail, or telephone call, to Viki Jenkins between meetings or team members may raise items for the “parking lot” at the meeting. Any fax, electronic or hard copy mail should be clearly labeled as “Parking Lot Items, Ideas or Comments”.

- 5) **Procedures for New Team Members** - To ensure a successful ALP, APC attempted to contact all potentially interested parties, including federal, state and local agencies, non-governmental organizations, and home and boat owners between October 1999 and March 2001. APC also conducted six “Issue Identification Workshops” in November and December of 2000 to further identify potentially interested parties and recognize their interests in the relicensing of the projects. From this public outreach process, APC formed the WCRT and CCRT, the RATs, and identified three levels of stakeholder participation. Since participating on a Team involves actively attending multiple meetings and promptly responding to document review and comment, APC further developed these three participation levels so that all stakeholders could be involved, to varying degrees, in the relicensing process.

Tier 1 participation includes those individuals who actively participate on one or more of the relicensing Teams (WCRT, CCRT, or RAT). A *Tier 1* commitment involves regular attendance at meetings and active review and comment on varying relicensing documents.

Tiers 2 and 3 include individuals who are interested in receiving various mailings but are not members of one of the relicensing Teams and do not usually attend meetings. *Tier 2* individuals receive a majority of the relicensing documents, including study plans, study reports, FERC notices, etc. *Tier 3* stakeholders receive only FERC Notices and major relicensing milestone documents (such as the Initial Information Packages, NEPA Scoping Document, and draft and final license applications and NEPA documents). *Tier 2 and 3* stakeholders may provide comments in writing or in person by attending relicensing Team meetings. When attending meetings, *Tier 2 and 3* members will have an opportunity to discuss their comments or raise an item for the “parking lot” at an appropriate time as designated in the meeting agenda.

APC invites and encourages, at anytime during this process, all interested parties to participate on any level of the relicensing of the Coosa and Warrior Projects. In order to become a *Tier 2 or 3* stakeholder, an individual should contact Viki Jenkins to be added to the mailing list. Since *Tier 1* stakeholders have made long-term commitments of time and energy with the goal of reaching consensus on the issues, a different procedure is to be followed for individuals to become *Tier 1* members, as described below. This process will also be used for those *Tier 1* members who miss more than one scheduled meeting.

Stakeholders who are interested in participating on the CCRT, WCRT or RATs and who wish to actively attend Team meetings must review several work

products and Team guidelines prior to attending their first meeting. These items include the Operating Procedures, Ground Rules, Communication Plan, Issue Sheets, process information, relevant study plans/reports and agreements, and Team decisions and outcomes to date. Since Teams are responsible for maintaining progress and enforcing previous agreements, new *Tier 1* members must:

- follow all agreements regarding the process and all work performed to date,
- agree to encourage and maintain the continuity and forward progress of the Team(s), and
- respect decisions made by *Tier 1* members in attendance at the previous meetings, all of which are crucial to the timely resolution of issues.

Items that have been discussed and resolved by the Teams will not be renegotiated with the new team member during a meeting.

To obtain all relevant documents, new members should contact Viki Jenkins. Documents will be sent to new members and arrangements will be made to discuss those documents, including specific items and overall intent, with the new *Tier 1* member **prior** to attending a meeting. APC will also assist the new *Tier 1* member by providing a list of other *Tier 1* members who may be contacted to provide an update of the process and to discuss any specific resource issues that may have been previously discussed, including a status of resolution.

The following is the process for new *Tier 1* participants.

- Person wishes to become a *Tier 1* stakeholder and contacts APC (Viki Jenkins).
- APC sends Tier 1 stakeholder all relevant process documents, including Final Operating Procedures, Communication Plan, Ground Rules, Issue Sheets, and all other final documents as well as those that are in progress. The new *Tier 1* stakeholder must review all documents prior to their first Team meeting. If he/she has any questions or comments, he/she must contact APC or other *Tier 1* members prior to attending the next scheduled meeting.
- APC also sends a list of other *Tier 1* team members as contacts for the new *Tier 1* member.
- The stakeholder confirms with APC their intent to participate in the relicensing at the *Tier 1* level.

This procedure is not designed to discourage including new stakeholders in the relicensing process. Rather, the goal of this procedure is to respect the efforts and decision making of the Teams and to ensure timely resolution of the

issues and preparation and completion of a Draft Environmental Assessment and license application by July 2005.

5.0 Rules for Media and Observers

During the process, the media and other persons or groups may desire to attend a WCRT meeting. The meetings will be open to the public but as observers only. Time will be reserved at each meeting to take questions and comments from persons attending meetings as observers. If a person wishes to participate at the level required by the teams and agrees to abide by the OP, they may request to APC and the team members to become a WCRT member (See Procedures for New Team Members Section 4.3).

WCRT members will not use the media as a place to discuss positions and views of other members. All news releases to the media will be coordinated through the WCRT. Negotiations and information shared with the WCRT should be considered confidential to the Team and its members.

6.0 Procedures for Making Recommendations

As discussed throughout these OPs, the WCRT will function in an advisory capacity to APC in relicensing the Warrior River Projects. APC must file a license application and APEA in 2005. While advisory in nature, APC intends to encourage and promote consensus-based decisions regarding proposals and recommendations for protection, enhancement and mitigation measures.

For purposes of this cooperative alternative licensing process, consensus is defined as agreement by all, some of whom can “live with” the decision while others might agree in total.

The following describes the procedures for proposing recommendations within the WCRT.

- 1) WCRT members discuss issue and all existing information.
- 2) Members discuss alternatives and propose an action.
- 3) Any active participant or the facilitator can propose a recommendation related to any procedural or technical matter.
- 4) Members provide information to support their proposed recommendation.
- 5) Any participant has the right to participate in the decision and the team member(s) or facilitator can postpone a decision if it is felt that other team members should be present.
- 6) If action items are identified, a list should include the team member(s) responsible for the action item and a schedule for completing a specific action or task.
- 7) Determine if there is consensus (agreement by all as defined above) or disagreement
- 8) If consensus exists, the decision will be documented and included in the final license application, NEPA document and if appropriate any formal agreements.
- 9) If there is disagreement, the team member(s) should state their disagreement and the reasons for the disagreement and have it recorded in the meeting summary.
- 10) Items that were disagreed upon will be recorded and kept by the facilitator for reconsideration at an appropriate point in the process.

- 11) Attempt to resolve disputes, if necessary first by compromise and good faith efforts, recognizing that each team member might not find the resulting decision to be their preferred decision but the rather the decision is in the best interest of the Team.
- 12) If a dispute still exists, every effort will be made to use other informal conflict resolution techniques, including, but not limited to, expert panels, technical experts, mediation by the facilitator, etc.
- 13) If a dispute still exists, APC—with the team members' input—will evaluate the use of formal dispute resolution techniques and services such as a third party mediator and FERC's Office of Alternative Dispute Resolution.
- 14) If consensus is not reached in the WCRT, and options for dispute resolution have not resulted in agreement, the issue and options for resolving the issue as well as alternatives will be forwarded to APC for discussion and inclusion in the PDEA.

The process of reaching consensus on the issues and the preferred option for the license applications and NEPA documents must occur within a statutory time frame. One stakeholder's disagreement with one or more aspects of the preferred option or settlement will not negate the efforts and agreement by the other team members.

7.0 Other Items

7.1 Termination of Alternative Licensing Process

If any member of the WCRT wishes to terminate use of the alternative licensing process, he/she may submit a request to do so by following the procedures set forth in 18 C.F.R. §4.34(i)(7). The departure of one or more members of this relicensing process does not end the process for APC and other members that choose to continue participation. APC also has the right to discontinue the ALP process after consultation with FERC. This is not anticipated and APC is committed to fulfilling its obligations in this ALP process and negotiate in good faith with relicensing team members.

7.2 Submission to the FERC of the Operating Procedures

These OPs will be submitted to the FERC and included as part of the official record.

7.3 Duration of the Relicensing Team

Consistent with the FERC regulations, the WCRT will operate only until the license applications and APEAs are filed, at which time the WCRT will dissolve. Thereafter, unless otherwise agreed to by the WCRT, if there is a need for continued settlement discussions, and the continuing parties want to utilize the prior procedures, the procedures must be re-executed by the continuing parties.

**COMMUNICATIONS PLAN
FOR THE
COOSA AND WARRIOR RIVER HYDROELECTRIC PROJECTS
(FERC Nos. 2146, 82, 618, and 2165)**

Introduction

This Communications Plan describes how Alabama Power Company (APC) will document, and make available, communications during the pre-filing consultation process for the relicensing of the Coosa River Hydroelectric Project (Weiss, Henry, Logan Martin, Lay and Bouldin developments - FERC No. 2146), Mitchell Project (FERC No. 82), and Jordan Project (FERC No. 618), and the Warrior River Hydroelectric Project (Smith and Bankhead developments, FERC No. 2165). These hydroelectric projects will be referred to throughout this document collectively as the "Coosa-Warrior Projects". The purpose of this plan is to govern how APC will make communications (including written, oral, and electronic mail documents) accessible to participants in the relicensing process. This plan specifically discusses APC and the Federal Energy Regulatory Commission's (FERC) public files, proper formats for filing comments and briefly describes future communication and operating procedures that will be developed with the Resource Advisory Teams and Cooperative Relicensing Teams.

APC anticipates filing Resource Advisory Team and Cooperative Relicensing Team Operating Procedures, which may include, but not be limited to ground rules, meeting schedules, decision making and dispute resolution processes, with the FERC and stakeholders during 2001.

Background

The existing licenses for the Projects expire on July 31, 2007 (Coosa River Projects) and August 31, 2007 (Warrior River Project). APC internally developed the Coosa Warrior Relicensing Team (CWRT) to address all procedural and technical issues related to the relicensing of the Projects. The CWRT developed the Alabama Power Cooperative Approach (APCA), which combines the requirements of the National Environmental Policy Act (NEPA) of 1969 with relicensing activities in the pre-filing consultation period of the relicensing process, consistent with FERC's regulations at 18 CFR 4.34 (i). Specifically, the CWRT's goals are to work cooperatively

with the stakeholders to scope issues and studies, and to resolve resource issues in order to protect and enhance the Projects' economic, environmental and recreational resources. Beginning in February 2000 through December 2000, the CWRT contacted federal, state, and local resource agencies, Non Governmental Organizations (NGOs), and members of the public to participate in the APCA

APC and FERC's Public Reference File

To provide access to communications, two public reference files are maintained in the following locations:

Alabama Power Company 600 North 18 th Street Hydro Licensing – 16 th Floor Birmingham, AL 35291	Federal Energy Regulatory Commission Public Reference Room, Room 2-A 888 First Street, N.E. Washington, D.C. 20426
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The relicensing public reference file at APC will include copies of all written correspondence, telephone contact sheets (oral communications), meeting minutes, study plans, study reports, and other documents that are filed with FERC. FERC's public reference file will include the six-month progress reports referencing the items in APC's public reference file, the Initial Information Packages (IIP), Scoping Documents, and the draft license applications and preliminary draft applicant prepared environmental assessments (APEAs). Upon filing the final license applications with FERC (on or before July 21, 2005), APC will include a list of the major milestone documents (*e.g.*, IIPs, scoping documents, study reports, draft license applications) that are located in their public file.

All documents in APC's public reference file are available for public review by contacting Viki Jenkins, Alabama Power Company, 600 North 18th Street, 16N-8180, Birmingham, AL; Telephone: 205-257-2211; Fax: 205-257-1596; E-mail vrjenkin@southernco.com. A list of all documents available in the public reference file is available through the APC Website at <http://www.southerncompany.com/alpower/hydro/publicinfo.asp>.

Copies of documents can be requested. Single copies of documents up to ten pages in length will be copied free of charge. Documents in excess of ten pages or multiple copies of documents will be charged at a rate of \$0.10/page.

FERC's public reference file may be viewed on the web at: www.ferc.fed.us/online/rims.html. Contact FERC at (202) 208-2222, if you need assistance using the web site. Hard copies are available from FERC at the cost of \$.10/page and may be obtained by writing or faxing your request to the Public Reference Room: FAX (202) 208-2320.

Filing Written Communications with FERC

In order for written comments to be included in the public record for the Projects, an original and eight (8) copies must be sent to Mr. David P. Boergers, Secretary of the Commission, Public Reference Room 2-A, 888 First Street, N.E., Washington, D.C. 20426. At present, the Commission will not accept any electronic filing for its docketed records (*i.e.*, electronic mail files must be submitted into the public record as paper copies), including the public reference file, without specific waiver of the filing regulations.

A copy of any material submitted to FERC must also be sent to APC, specifically to Mr. R.M. Akridge, Alabama Power Company, 600 North 18th Street, 16N-8180, Birmingham, AL. 35291. The copy will be placed in APC's public reference file.

All written communication for the Coosa River Projects must have the following clearly displayed on the first page:

**COOSA RIVER HYDROELECTRIC PROJECTS-
WEISS, HENRY, LOGAN MARTIN, LAY AND BOULDIN
(FERC No. 2146)**

All written communication for the Mitchell Project must have the following clearly displayed on the first page:

MITCHELL HYDROELECTRIC PROJECT (FERC NO. 82)

All written communication for the Jordan Project must have the following clearly displayed on the first page:

JORDAN HYDROELECTRIC PROJECT (FERC NO. 618)

All written communication for the Warrior River Projects must have the following clearly displayed on the first page:

**WARRIOR RIVER HYDROELECTRIC PROJECTS-
SMITH AND BANKHEAD (FERC No. 2165)**

Written Documentation from APC

Progress Reports: APC will prepare a progress report beginning six months following FERC's notice approving APC's use of FERC's alternative licensing procedures. The six-month progress reports summarize the relicensing activities and correspondence during that six-month period and will be filed with FERC and placed in APC's public reference file.

Agreement to the Protocol

The entities and individuals that are expected to participate during the APCA have reviewed this Communication Plan for the Coosa Warrior Projects relicensing process and agree to the contents herein.

600 North 18th Street
Post Office Box 2641
Birmingham, Alabama 35291
Tel 205.257.1000



January 30, 2002

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Status Report on the Relicensing of Alabama Power Company Hydroelectric Projects, FERC Nos. 2146 (Coosa River Project), 2165 (Warrior River Project), 82 (Mitchell Project), 618 (Jordan Project)
August 2001 – January 2002

Dear Ms. Salas:

Enclosed is an original and eight (8) copies of Alabama Power Company's (APC) six-month status report for activities related to the relicensing of the Coosa River Project, Warrior River Project, Mitchell Project, and Jordan Project. Approval of APC's use of alternative licensing procedures for the referenced projects was issued on January 29, 2001. As part of FERC's regulations for using alternative procedures¹, APC is required to submit a status report of the relicensing process every six months. This status report includes relicensing activities and milestones that were completed between August 2001 and January 2002. Copies of all public correspondence and meeting minutes have been submitted to FERC as called for in the approved Project Relicensing Communications Procedures.

The major categories of relicensing activities in this status report include:

1. Notice of Intent
2. Issue Progress/Studies
3. NEPA Scoping
4. Relicensing Website.

A table summarizing major relicensing team activities in the past six months is provided as an Attachment A to this status report.

¹ Pursuant to 18 CFR §4.34(i).

1.0 Notice of Intent (NOI)

APC filed its NOI for the above referenced projects on November 16, 2001. A copy of this document has been placed on the APC relicensing website: http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

2.0 Issue Progress/Studies

As indicated in the 1st Six Month Status Report (July 26, 2001), the Coosa Ecological Resource Advisory Team (EcoRAT), the Coosa Recreation Resource Advisory Team (RecRAT) and Warrior Cooperative Relicensing Team (WCRT) have each formed Issue Action Groups (IAGs). IAGs are small working groups composed of individual Applicant Prepared Environmental Assessment (APEA) Team members with experience, expertise, and/or a regulatory mandate related to the issue at hand. The following is a summary of the activities of each IAG that has formed and/or operated in the past six months.

Ecological Issues– As denoted by the “E” before each issue number

E6 – Threatened and Endangered Species

The E6 IAG has continued to work toward its goal of producing a comprehensive database of all threatened, endangered, and sensitive species (TE&S) in the project study area, including all available recovery plans. Upon completion, this database will be made available to all other IAGs for use in developing study plans and performing impact analyses. It is anticipated that the E6 IAG will complete its work and report back to the WCRT and EcoRAT with its results at meetings scheduled for the end of January 2002. At that point, the E6 IAG will become inactive until proposed alternatives and recommendations that might effect TE&S species require analysis.

In September 2001, APC agreed to partner with the US Forest Service (USFS) to study the federally endangered and state-protected flattened musk turtle on Lewis Smith Reservoir. APC agreed to provide \$24,000 per year for the two-year study that began in the Fall of 2001.

E8 – Lake Level Fluctuations

The WCRT and Coosa EcoRAT formed the E8 IAG to explore the effects of current and proposed lake level fluctuations and recommend a range of alternatives. The E8 IAG has held several meetings since its inception. To date, the E8 IAG has: finalized a workplan (including deliverables and schedule); discussed management goals and

objectives; discussed information needs; and discussed and reviewed operations models based on Alabama Department of Conservation and Natural Resources (ADCNR) recommendations.

At the December 4, 2001 meeting, the USFS indicated it would coordinate with the ADCNR to develop a set of recommendations based on the USFS Forest Plan, agency mandates, and threatened, endangered and sensitive species and present them to the E8 IAG members. It is anticipated that the E8 IAG will continue working toward its goal of developing and analyzing alternatives to current lake level fluctuations.

E10 – Downstream Flows

The WCRT and Coosa EcoRAT formed the E10 IAG to explore the effects of altered hydrology on the aquatic resources of the project study area. The E8 IAG has held several meetings and, to date, has: finalized a workplan; discussed management goals and objectives; discussed information needs; and discussed potential study areas.

At the January 2002 meeting, the E10 IAG will continue work on developing study plans with the ultimate goal of providing flow recommendations to the WCRT and EcoRAT.

E12 – Wetlands

The WCRT and Coosa EcoRAT formed the E12 IAG to determine the extent of coverage of existing wetland data for the project study area. The E12 IAG has held several meetings and, to date, has: finalized a workplan; reviewed and compiled a GIS wetlands database; and discussed opportunities for educating the public on wetlands.

Pending final approval by the group, it is anticipated that the E12 IAG will recommend that the WCRT and EcoRAT accept the GIS wetlands database for use in describing the existing environment and analyzing impacts to wetlands from potential action alternatives. After making this recommendation, the E12 IAG will become inactive until proposed alternatives and recommendations that might effect wetlands require analysis.

Recreation Issues

CR1, 3, 4, & 5 IAGs²

Due to the interdependence between several of the identified recreation issues and to avoid duplicating efforts that might occur if discussed separately, the WCRT and Coosa RecRAT decided to form an IAG for each reservoir to address the following

² “CR” references a Coosa Recreation issue. The number following corresponds to an actual issue number.

issues:

- CR1 – Recreation Management (Access, Facilities, and Use)
- CR3 – Lake Level Fluctuations
- CR4 – Downstream Flows
- CR5 – Flood Control

The intent of this reservoir-specific approach is to facilitate issue resolution. The following summarizes the activities of each reservoir's recreation IAG to date.

Mitchell

This IAG includes APC, Lake Mitchell Home Owners/Boat Owners (HOBO), Alabama BASS Federation, ADCNR, and other concerned stakeholders. This group was the first Recreation IAG formed and as such, developed the standard process used by other Recreation IAGs. Development of the standard process involved all IAG members, as well as the other HOBOs on the Coosa River System.

Once the standard process was defined, the Mitchell IAG: developed a Recreation Vision Statement for Mitchell Lake; then completed Step 1 of the standard process – “Determining Desired Future Condition” and Step 2 – “Establishing Baseline Conditions.” The IAG is currently working on Step 3 – “Determining What is Needed and When” and Step 4 – “Decide How Needs Will be Met and Who is responsible.”

Jordan/Bouldin

This IAG is actively working on the standard process for the Jordan and Bouldin developments. IAG members include APC, Lake Jordan HOBO, state, federal and local agencies, and other concerned stakeholders. This IAG has developed a Vision Statement for the Jordan development, has completed Step 1 – “Determining Desired Future Condition”, and is currently working on Step 2 – “Establishing Baseline Conditions.”

Logan Martin

This IAG is actively working on the standard process for the Logan Martin development. IAG members include APC, Logan Martin Lake Association, Alabama BASS Federation, and ADCNR. This IAG has developed a Vision Statement for Logan Martin Lake, has completed Step 1 – “Determining Desired Future Condition”, and is currently working on Step 2 – “Establishing Baseline Conditions.”

Weiss

This IAG is actively working on the standard process for the Weiss development. IAG members include APC, Weiss Lake Improvement Association, and ADCNR. This IAG has developed a Vision Statement for Weiss Lake, has completed Step 1 – “Determining Desired Future Condition”, and is currently working on Step 2 – “Establishing Baseline Conditions.”

Lewis Smith– WR1, 3, 4, and 5

This IAG is actively working on the standard process for the Smith development. IAG members include APC, Smith Lake Civic Association, Smith Lake Environmental Preservation Committee, USFS, other state and federal agencies and other concerned stakeholders. This IAG has developed a final draft Vision Statement for the Smith development, completed Step 1 – “Determining Desired Future Condition”, and is currently working on Step 2 – “Establishing Baseline Conditions.”

Lay, Neely Henry

Similar to the other reservoirs, IAGs for Lay and Neely Henry will be formed and begin working through the standard process at the January 2002 meetings.

R8 – Public Education

This IAG has developed and compiled a comprehensive list of public education and awareness programs relevant to this relicensing. The R8 IAG is currently inactive, but will become active over the next several months to address specific items (*e.g.*, developing a wetlands education plan). IAG members include APC, state and federal agencies, various HOBOS and other lake organizations, U.S. Army Corps of Engineers (ACOE), and other concerned stakeholders. During the course of this relicensing, this IAG will assist other IAGs with development of programs to address public awareness and education.

WR9 – Federal Lands and Waters

APC hosted a meeting at the Bankhead National Forest on October 25, 2001 with representatives from the USFS. APC and the USFS are working cooperatively to identify issues at recreation sites on Bankhead National Forest associated with operation of APC’s Lewis Smith development (Warrior Project). APC and the USFS will continue to work towards completing the task of issue identification in the next six months.

3.0 NEPA Scoping

Based on relicensing activities to date, APC believes it has satisfied one of the most important NEPA scoping requirements—public input on identifying issues. APC has been soliciting public input on relicensing issues since 1999 and conducted formal Issue Identification Workshops in November and December 2000. As such, APC is interested in helping FERC satisfy the statutory requirements of NEPA while avoiding duplication of previous efforts (*i.e.*, Issue Identification Workshops). APC has solicited input from the relicensing teams on how the statutory NEPA scoping requirements can be satisfied. APC identified several interested stakeholders and formed a NEPA IAG.

The NEPA IAG includes representatives from APC, FERC, NPS, ACOE, USFS, EPA, American Rivers, and Alabama Department of Economic and Community Affairs. This IAG is responsible for developing draft NEPA Scoping Documents for the Coosa and Warrior Projects and assisting in planning the NEPA Scoping meetings. This IAG has reviewed and provided comments on the first draft of the NEPA Scoping Documents and will distribute the final draft to the WCRT and CCRT. The NEPA IAG will then have several additional telephone conference calls to assist FERC in finalizing the documents and planning the NEPA Scoping meetings.

4.0 Relicensing Website

APC continues to use its relicensing website to disseminate relicensing information. The following is a list of URLs (web addresses) for locations on the relicensing website to view, download, and/or print documents relevant to this status report:

Notice of Intent, 1st Six Month Status Report

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures)

Coosa - http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior - http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa - http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior -

http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

A handwritten signature in black ink that reads "R. M. Akridge". The signature is written in a cursive style with a long horizontal flourish extending to the right.

R. M. Akridge

Attachment A

Summary of Relicensing Team Activities, August 2001 – January 2002

Team	Date	Agenda Items	Special Presentations
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WCRT, CCRT, RecRAT & EcoRAT MEETINGS

EcoRAT RecRAT WCRT	September 11-12, 2001	Cancelled due to National events Planned to: Update and discuss E6, E12, E7, CR1, R8 and NEPA IAGs; Introduce next IAGs; Review 2002 meeting dates; Review June Meeting Summary	Presentations: Updates on E6, E12, E7, CR1, and R8
EcoRAT RecRAT WCRT	September 28, 2001	Discuss Issue Sequencing Introduce next IAGs; Review 2002 meeting dates; Review June Meeting Summary Update and discuss E6, E12, E7, CR1, R8 and NEPA IAGs;	Presentations: Updates on E6, E12, E7, CR1, and R8

IAG MEETINGS

CR1, 3, 4 & 5 IAG – Weiss

October 15, 2001	Revise Workplan; Discuss future development of the Vision Statement
October 24, 2001	Review Workplan and Standard Process; Develop Vision Statement; Review Recreation Inventory Data
November 6, 2001	Review October 24 th Meeting Summary; Review Vision Statement
December 4, 2001	Discuss Step 1 and 2 questions

CR1, 3, 4 & 5 IAG – Logan Martin

October 12, 2001	Revise Workplan; Discuss future development of the Vision Statement
October 23, 2001	Review Workplan and Standard Process; Develop Vision Statement; Review Recreation Inventory Data
November 8, 2001	Review October 23 rd Meeting Summary; Review Vision Statement

Team	Date	Agenda Items	Special Presentations
	December 5, 2001	Discuss Step 1 and 2 questions	
<i>CRI, 3, 4 & 5 IAG – Mitchell</i>			
	July 26, 2001	Discuss Workplan	
	August 9 ,2001	Discuss Tasks 1, 2, & 3 of the Standard Process	
	August 22, 2001	Discuss results of Tasks 1, 2, & 3; Discuss Task4	
	October 23, 2001	IAG Update; Review Vision Statement	
	November 8, 2001	Review October 23 rd Meeting Summary; Finalize Vision Statement; Discuss Step 2 questions	
	November 29, 2001	Discuss the remaining Step 2 questions; Discuss recreation management	
<i>CRI, 3, 4 & 5 IAG – Jordan/Bouldin</i>			
	October 17, 2001	Revise Workplan; Discuss future development of the Vision Statement	
	October 23, 2001	Review Workplan and Standard Process; Develop Vision Statement; Review Recreation Inventory Data	
	November 7, 2001	Review October 23 rd Meeting Summary; Review Vision Statement	
	December 5, 2001	Discuss Step 1 and 2 questions	
<i>WRI, 3, 4 & 5 IAG – Smith</i>			
	October 10, 2001	Revise Workplan	
	October 24, 2001	Review Workplan and Standard Process; Develop Vision Statement; Review Recreation Inventory Data	
	November 6, 2001	Review October 24 th Meeting Summary; Review Vision Statement	
	December 5, 2001	Discuss Step 1 and 2 questions	

Team	Date	Agenda Items	Special Presentations
<i>WR9 – Federal Lands and Waters</i>			
	October 25, 2001	Meeting at Bankhead NF to discuss USFS issues related to recreation sites	
<i>R8 – Public Education</i>			
	August 22, 2001	Discuss Workplan	
	September 24, 2001	Discuss Results of Task 1	
	October 24, 2001	Discuss list of public education programs and outreach	
<i>E6 – Threatened and Endangered Species</i>			
	August 7, 2001	Discuss Workplan	
	September 4, 2001	Discuss results of Task 1 & 2	
	October 24, 2001	Discuss T&E Species Database; Update on Flattened Musk Turtle	
	January 15, 2002	Discuss Final Recommendations; Discuss discontinuing E6 IAG activity	
<i>E8 – Lake Level Fluctuations</i>			
	October 11, 2001	Review Workplan; Discuss agenda and goals for October 24 th meeting	
	October 24, 2001	Finalize Workplan [?] Discuss management goals and objectives; Discuss information needs	Presentation – Project Operations – Andy Sheppard-APC
	December 4, 2001	Discuss and review operations models for ADCNR recommendations; USFS to develop and present recommendations based on forest plan, agency mandates, and TE&S species	
<i>E10 – Downstream Flows</i>			
	October 11, 2001	Review Workplan; Discuss agenda and goals for next meeting	
	October 23, 2001	Finalize Workplan [?]	Presentation – Project

Team	Date	Agenda Items	Special Presentations
		Discuss management goals and objectives; Discuss information needs	Operations – Andy Sheppard-APC
	November 11, 2001	Revise Workplan; Discuss Potential study areas	
<i>E12 - Wetlands</i>			
	August 16, 2001	Discuss Workplan	
	October 23, 2001	Review wetlands database; Discuss public education	
<i>NEPA IAG</i>			
	October 4, 2001	Discuss Workplan Discuss work scope and products	
	October 24, 2001	Review preliminary draft of Scoping Document 1	

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FEDERAL ENERGY
REGULATORY COMMISSION

ORIGINAL



July 29, 2002

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Status Report on the Relicensing of Alabama Power Company Hydroelectric Project, FERC Nos. 2146 (Coosa River Project), 2165 (Warrior River Project), 82 Mitchell Project), & 618 (Jordan Project)
January 2002-June 2002

Dear Ms. Salas:

Enclosed is an original and eight (8) copies of Alabama Power Company's (APC) six-month status report for activities related to the relicensing of the projects referenced above. FERC approved APC's use of the alternative licensing procedures for the referenced projects on January 29, 2001. As part of the Federal Energy Regulatory Commission's (FERC) regulations for using the alternative process¹, APC is required to submit a status report of the relicensing process every six months. This status report includes relicensing activities and milestones that were completed between January 2002 and June 2002. As outlined in the Project Relicensing Communications Procedures, all copies of public correspondences and meeting minutes have been submitted to FERC.

The major categories of relicensing activities in this status report include:

1. Issue Progress/Studies
2. NEPA Scoping
3. Relicensing Website

A table summarizing major relicensing activities over the past six months is provided as Attachment A.

¹ Pursuant to 18 CFR §4.34(i).

AS
DOCKETED

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very truly yours,

A handwritten signature in black ink that reads "B.K. Lovett". The signature is written in a cursive style with a large, prominent "L".

R. M. Akridge
Manager
Hydro Services

Attachment A

Summary of Relicensing Team Activities, August 2001 – July 2002

Team	Date	Agenda Items	Special Presentations
WCRT, CCRT, RecRAT & EcoRAT MEETINGS			
	January 29, 2002	Operating Procedures, Overview of 2001, 2002 Activities, NEPA Scoping, Ecological and Recreation IAG updates	
	May 20, 2002	Modeling, Turbine Upgrades, Public Education, Ecological and Recreation IAG updates	Models, "Loafing Streams", HOBO demonstration of fish habitat structures

IAG MEETINGS

CRI, 2, 3, 4 & 5 IAG – Weiss

January 29, 2002	Discuss January Fieldwork and Inventory Data; Discuss Weiss Bypass Area; Discuss Step 2 Questions
March 12, 2002	Review Recreational Use Study; Discuss Step 2 Questions
April 2, 2002	Review Recreational Use Figures; Identify Public Use Areas that Regularly Exceed Design Capacity; Discuss Step 2 Questions
June 26, 2002	Discuss Standard Process Tracking Document; Discuss Step 2 Questions; Update of Summer Fieldwork
July 17, 2002	Discuss Standard Process tracking; discuss public safety

CRI, 2, 3, 4 & 5 IAG – Henry

January 30, 2002	Revise Workplan; Develop Vision Statement; Distribute Recreation Inventory Data
February 19, 2002	Review Vision Statement; Review Recreation Inventory Data

Team	Date	Agenda Items	Special Presentations
	March 12, 2002	Finalize Vision Statement; Review Recreational Use Figures; Discuss Step 2 Questions	
	April 19, 2002	Review Recreational Use Figures; Identify Public Use Areas that Regularly Exceed Design Capacity; Discuss Step 2 Questions	
	June 17, 2001	Discuss Standard Process Tracking Document; Discuss Step 2 Questions; Update of Summer Fieldwork	
	July 17, 2002	Discuss Standard Process Tracking document; discuss public safety issues	
<i>CRI, 2, 3, 4 & 5 IAG – Logan Martin</i>			
	February 20, 2002	Finalize Vision Statement; Discuss Step 2 Questions	
	June 26, 2002	Discuss Standard Process Tracking Document; Review Recreational Use Figures; Identify Public Use Areas that Regularly Exceed Design Capacity; Discuss Step 2 Questions; Update of Summer Fieldwork	
	July 17, 2002	Discuss Standard Process Tracking Document; discuss public safety	
<i>CRI, 2, 3, 4 & 5 IAG – Lay</i>			
	January 30, 2002	Revise Workplan; Develop Vision Statement; Distribute Recreation Inventory Data	
	February 19, 2002	Review Vision Statement; Review Recreation Inventory Data	
	March 13, 2002	Finalize Vision Statement; Review Recreational Use Figures; Discuss Step 2 Questions	
	April 5, 2002	Review Recreational Use Figures; Identify Public Use Areas that Regularly Exceed Design Capacity;	

Team	Date	Agenda Items	Special Presentations
		Discuss Step 2 Questions	
	May 22, 2002	Discuss Step 2 Questions	
	June 18, 2002	Discuss Standard Process Tracking Document; Discuss Step 2 Questions; Update of Summer Fieldwork	
	July 16, 2002	Discuss Standard Process Tracking Document; discuss public safety issues	
<i>CR1, 3, 4 & 5 IAG – Mitchell</i>			
	January 16, 2002	On-site meeting to discuss recreational use of the Coosa Wildlife Management Area and several other recreational facilities; This was not a formal IAG meeting	
	February 20, 2002	Discuss January Fieldwork; Update on Specific Sites	
	June 26, 2002	Discuss Standard Process Tracking Document; Review Recreational Use Figures Identify Public Use Areas that Regularly Exceed Design Capacity; Discuss Step 2 Questions	
	July 16, 2002	Discuss Standard Process Tracking Document; discuss public safety issues	
<i>CR1, 3, 4 & 5 IAG – Jordan/Bouldin</i>			
	January 29, 2002	Discuss January Fieldwork and Inventory Data; Discuss Step 2 Questions	
	February 20, 2002	Discuss Step 2 Questions; Discuss Downstream Recreational Flows	
	March 13, 2002	Discuss Step 2 Questions; Review Recreational Use Figures	
	April 5, 2002	Review Recreational Use Figures; Identify Public Use Areas that Regularly Exceed Design Capacity Discuss Step 2 Questions	

Team	Date	Agenda Items	Special Presentations
	May 22, 2002	Discuss Lake Jordan Home Owners and Boat Owners Association letter dated November 21, 2000; Discuss Step 2 Questions;	
	June 18, 2002	Discuss Downstream Flow Scenarios Update of Summer Fieldwork; Discuss Step 2 Questions	
	July 17, 2002	Discuss Step 2 Questions; discuss public safety issues	
<i>WR1, 2, 3, 4 & 5 IAG – Smith</i>			
	January 30, 2002	Discuss January Fieldwork and Inventory Data; Finalize Vision Statement; Discuss Step 2 Questions	
	March 12, 2002	Discuss Step 2 Questions; Review Recreational Use Figures	
	April 2, 2002	Identify Public Use Areas that Regularly Exceed Design Capacity; Discuss Recreational Use Figures; Discuss Step 2 Questions	
	May 22, 2002	Review Recreational Use Figures; Discuss Step 2 Questions	
	June 18, 2002	Update of Summer Fieldwork; Discuss Recreational Use Figures	
	July 17, 2002	Discuss Standard Process Tracking Document; discuss public safety issues	
<i>WR9 – Federal Lands and Waters</i>			
	January 30, 2002	Discuss Meeting Goals; Refine Issues; Develop Workplan	
	March 12, 2002	Joint meeting with WR1, 2, 3, 4 & 5 IAG; Discuss WR9 Revised Issue Sheet	
<i>E1 – Point & Non-Point Source Pollution</i>			
	January 30, 2002	Review issue background, finalize IAG membership and create a workplan	
	March 12, 2002	Pollution sites within the Warrior and Coosa Basins and ADEM's Clean Water	ADEM's Clean Water Partnership

Team	Date	Agenda Items Partnership	Special Presentations
	June 25, 2002	Other agency reports, cooperation with the CWP, IAG progress, public education, IAG recommendations and consolidation with E3	
<i>E2 – Erosion & Sedimentation</i>			
	January 30, 2002	Review issue background, finalize IAG membership and create a workplan	
	March 12, 2002	Erosion types and causes and potential sites	
	June 25, 2002	Erosion study plan, preliminary surveys and dredging practices	
	July 16, 2002	Finalize erosion study plan; present photos and erosion “score” sheet from Weiss and Smith to team; set schedule for field trips to record erosion	Pam McDaniels (APC) presented photos and field data sheets from Weiss and Smith
<i>E3 – Water Quality in Lakes, Rivers and Tributaries</i>			
	January 30, 2002	Review issue background, finalize IAG membership and create a workplan	
	February 22, 2002	Water quality information needs and available data	
	March 12, 2002	ADEM & USFWS 303(d) information, APC water quality information, data gaps and the relicensing water quality report	APC Water Quality data
	July 16, 2002	Discuss Lay Lake Water Quality report	Bill Sim (APC) presented the format and content of the Lay Lake section of water quality report
<i>E6 – Threatened, Endangered & Sensitive Species</i>			
	January 15, 2002	TE&S database, IAG recommendations and inactive statues	
<i>E8 – Lake Level Fluctuations</i>			
	January 29, 2002	Stakeholder update	
	March 12, 2002	Review of previous discussion items	

Team	Date	Agenda Items	Special Presentations
<i>E10 – Project Releases</i>			
	January 29, 2002	Weiss bypass reach “strawman”	
	March 13, 2002	Study plan, APC flood flow model, potential flows, study transects and model test flows	
	May 22, 2002	Study transects, calibration flows, HEC-RAS model outputs, data collection and observation flows	Model test flows and transects review
	July 16, 2002	Working group meeting of E10 to discuss HSI data for species in bypass and discussed options for “natural” flow regimes in bypass reach	
<i>E11 – Entrainment & Impingement</i>			
	January 30, 2002	Review issue background, finalize IAG membership and create a workplan	
	March 13, 2002	Study plan, reference sites and data needs	
	May 22, 2002	Database, progress report and seasonal effects	Entrainment database and reference sites
	July 16, 2002	Review 2 nd progress report	
<i>E12 – Wetlands</i>			
	February 14, 2002	Wetlands database and the public education outline	
	March 13, 2002	Wetlands database and the public education outline	
	June 18, 2002	APC regulatory authority, IAG recommendations, public education development and inactive status	

1.0 Issue Progress/Studies

As indicated in the 1st Six Month Status Report (July 26, 2001), the Coosa Ecological Resource Advisory Team (EcoRAT), Coosa Recreation Resource Advisory Team (RecRAT) and Warrior Cooperative Relicensing Team (WCRT) have each formed Issue Action Groups (IAGs). IAGs are small working groups composed of individual team members with experience, expertise, and/or a regulatory mandate related to a particular issue. The following is a summary of the IAG activities during the past six months.

Ecological Issues

E1 – Point and Non-Point Source Pollution

The WCRT and the Coosa EcoRAT formed the E1 IAG in January 2002 to explore the effects of Point and Non-Point Source Pollution originating within the Warrior and Coosa Basins on the water quality of the lakes and rivers inside the project study area.

The E1 IAG held three meetings since January, the first of which involved developing a work plan. As part of the work plan, the IAG consolidated information on point sources of pollution within the Warrior and Coosa basins, explored opportunities to coordinate its efforts with those of the State of Alabama's Clean Water Partnership, reviewed existing public education efforts and discussed opportunities for new efforts, and drafted recommendations on how point and non-point source pollution effects should be addressed in the relicensing process.

This IAG completed the tasks outlined in its work plan and plans to consolidate its remaining efforts with those of the E3 IAG (see below).

E2 – Erosion and Siltation

The WCRT and the Coosa EcoRAT formed the E2 IAG in January 2002 to explore the effects of erosion and siltation within the Warrior and Coosa Basins on the ecology of the lakes and rivers within the project study area.

The E2 IAG held three meetings since January and has developed a work plan, discussed erosion processes and types, identified potential erosion "hot spots" within project boundaries, drafted an erosion study plan, conducted preliminary erosion surveys and reviewed dredging practices and regulations.

IAG members continue to work toward completing the tasks outlined in the work plan.

E3 – Water Quality in the Lakes, Rivers and Tributaries

The WCRT and the Coosa EcoRAT formed the E3 IAG in January 2002 to explore the effects of current project operations on the water quality in the project study area.

The E3 IAG held three meetings since January and has developed a work plan, discussed water quality indicators, and has begun preparing comprehensive water quality reports for each hydro development.

Members of the E3 IAG continue to work on the comprehensive water quality reports and other tasks identified in the work plan.

E6 – Threatened and Endangered Species

In January 2002, the E6 IAG presented the WCRT and the Coosa EcoRAT with recommendations on addressing threatened, endangered and sensitive species (TE&S).

The E6 IAG completed the development of a Coosa and Warrior TE&S database which includes species information and available recovery plans. The E6 IAG recommended that the TE&S database be made available to other IAGs once a range of operational alternatives has been identified and impact analysis becomes necessary. The IAG also recommended that this IAG reconvene if the issue of TE&S species resurfaced during the remainder of the relicensing process.

The E6 IAG is inactive until further analysis or new information requires action by the WCRT and/or the Coosa EcoRAT.

E8 – Lake Level Fluctuations

Since January, the E8 IAG has met twice to discuss lake level fluctuation issues. At these meetings the IAG discussed current project operations and reviewed the progress on the Alabama Department of Conservation and Natural Resources' fish spawning proposals.

The IAG is continuing to explore this issue and is seeking input from the stakeholders on pertinent lake level fluctuations issues.

E10 – Downstream Flows

Since January, the E10 IAG has been actively working on addressing instream flow issues within the Weiss Bypass Reach. IAG members have met three times and

gone on several field trips in the bypass reach. The IAG is developing a study to investigate potential minimum flows into the Weiss Bypass Reach. Agencies are developing and discussing resource management goals for the Weiss Bypass and APC is in the final stages of developing a HEC-RAS Model that will be used as a tool to guide the minimum flow study effort and subsequent analysis.

E11 – Entrainment & Impingement

The WCRT and the Coosa EcoRAT formed the E11 IAG in January 2002 to explore the effects of fish impingement, entrainment, and turbine mortality/injury at each project powerhouse on aquatic resources within the project study area.

The E11 IAG met three times since January and has developed a work plan, discussed the details of fish impingement, entrainment, and turbine mortality, reviewed the differences in entrainment studies, begun an entrainment desk-top analysis, drafted and revised an entrainment reference database, and is working on customizing existing information to better facilitate entrainment analyses.

The E11 IAG anticipates meeting several times in the coming months to continue its work on this issue.

E12 – Wetlands

In June 2002 the E12 IAG drafted its recommendations for addressing the wetlands issue.

Having met three times since January, IAG members were able to reach consensus on several recommendations including:

- utilizing the wetlands database as an analysis tool throughout this relicensing process, specifically in the development of the shoreline management plan;
- APC should make every effort to protect wetlands within its project boundaries;
- APC's continued cooperation with the USACOE regulatory processes, and
- public education measures should be developed in coordination with the R8 IAG to better inform the public as to the value and benefits of project wetlands.

The E12 IAG will be inactive until recalled by the WCRT and/or the Coosa EcoRAT.

Recreation Issues

R1, 2, 3, 4, & 5 IAGs²

Due to the interdependence of several recreation issues, to avoid duplicating efforts, and to facilitate issue resolution, the WCRT and Coosa RecRAT formed an IAG for each reservoir to address the following issues:

- R1 – Recreation Management (Access, Facilities, and Use)
- R2 – Public Safety
- R3 – Lake Level Fluctuations
- R4 – Downstream Flows
- R5 – Flood Control

All of the R1, 2, 3, 4 & 5 IAGs are working through a four step standard process to identify recreational interests and needs. Specific IAG activities that have occurred over the past six months are as follows:

- All CR1, 2, 3, 4 & 5 IAGs developed a Vision Statement for their specific reservoir.
- APC developed a Standard Process Tracking Document that captures IAG discussions and compiles all relevant information under each specific question. This document will be reviewed by the IAG members and become the IAG record.
- Several IAGs began work on concept design plans for recreation facilities/improvements. These plans are being developed to meet the recreational demand and use on specific reservoirs.
- Recreational Usage Estimates and Forecasts for the Coosa and Warrior Rivers were distributed to the IAGs. Note that the Jordan tailwater use figures will be available in early 2003. All IAGs reviewed the recreational use figures and agreed to the approach.
- During the March meetings, the IAGs agreed to incorporate the R2 Public Safety issue into the existing IAGs. The R2 Public Safety questions will be reviewed and discussed during the next several IAG meetings.
- APC is conducting fieldwork around the lakes to identify potential bankfishing areas, investigate specific recreation sites and to complete the recreational inventory maps and data necessary for FERC Form 80.
- IAGs have attempted to identify public use areas on their lakes that regularly exceed current design capacity. APC will obtain additional information regarding capacity during field investigations and interviews with agencies working on the lake.

² "R" references a Recreation issue. The number following corresponds to an actual issue number.

- Meeting summaries, recreational inventory maps, and all other IAG information is found on APC's website at www.southernco.com/alpower/hydro.

In addition to the activities listed above, the following summarizes the activities of each reservoir's IAG.

Mitchell

Since January, this IAG has had two formal meetings. The focus of the meetings was to complete the Step 2 standard process questions and update the IAG regarding the development of concept designs for the Higgins Ferry Park site, the "Old Boy Scout" camp and the primitive water access sites in the Coosa Wildlife Management Area.

Several IAG members, ADCNR and APC held an additional on-site meeting in January to discuss issues related to recreational use of the Coosa Wildlife Management Area and several facilities around Mitchell Lake. This meeting yielded important information for the development of concept designs for several sites around Mitchell Lake.

The Mitchell IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Jordan/Bouldin

Since January, this IAG had seven meetings. The primary focus of these meetings was to complete the Step 2 standard process questions. The meetings focused specifically on either lake or tailrace recreation issues. APC also held an on-site meeting to discuss Jordan project operations with interested IAG members at the Jordan Plant.

The IAG has completed all Step 2 Questions and is moving into Steps 3 and 4 of the process. Specific sites, such as Bonner's Point are being examined for potential enhancement opportunities. The IAG is also looking into the potential for providing additional bankfishing and swimming access on the eastern shore of the reservoir.

Many meetings have focused on developing potential modifications to the existing downstream recreational flow. IAG members agreed to suspend further discussion pending specific information on APC's proposed turbine upgrades at Jordan and the results of APC's recreational use survey in the Jordan Tailrace. This information will be compiled throughout the summer/fall and reported to the IAG in early 2003.

The Jordan IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Logan Martin

Since January, this IAG held two IAG meetings to complete the Step 2 standard process questions.

The Logan Martin IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Weiss

Since January, this IAG held four meetings to complete the Step 2 standard process questions. Several issues discussed in this IAG include Weiss Lake Improvement Association's request to modify lake levels, recreation in the Weiss bypass area, siltation, and bankfishing access sites.

Discussion of recreation in the Weiss Bypass area has been deferred until the E10 Project Releases IAG completes its study of flows in the Weiss Bypass.

The Weiss IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Lewis Smith

Since January, this IAG held five meetings to complete the Step 2 standard process questions. One of the five meetings was held in conjunction with the WR9 (Federal Lands and Waters) issue group.

The Smith IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Lay

The Lay IAG formed in January and has held five meetings. The primary focus of these meetings was to develop a vision statement and complete Steps 1 and 2 of the Standard Process. The IAG is discussing several issues including lake level fluctuations effects on recreation, public safety and recreation demand around the lake.

The Lay IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review of the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

Henry

The Henry IAG formed in January and has held four meetings. The primary focus of these meetings was to develop a vision statement and complete the Steps 1 and 2 of the standard process questions.

The Henry IAG anticipates meeting several times in the coming months to begin work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss the R2 Public Safety Questions, and discuss concept design plans.

R8 – Public Education

The R8 IAG has reorganized its efforts to assist IAGs that have recommended public education measures as a means to address their specific resource issues. The R8 will work with IAGs to identify, customize and create public education materials that may address relicensing issues. Currently, the E12 and E1 IAGs are working with the R8 IAG to prepare sections of a relicensing public education plan that will be included as part of APC's license application.

WR9 – Federal Lands and Waters

Although there has not been an official IAG formed for this issue, APC, USFS and other interested stakeholders have met twice since January to discuss the WR9 issues. Issues related to federal lands and waters will resume in August.

3.0 NEPA Scoping

Building on previous issue and alternative scoping, including Issues Identification Workshops and Coosa-Warrior Relicensing Team Meetings, FERC and APC prepared a NEPA Scoping Document 1 (SD1) for both the Warrior and Coosa projects. FERC issued SD1 on February 12, 2002 to approximately 500 stakeholders.

Subsequently, FERC held a NEPA Scoping meeting to discuss SD1 and other pertinent relicensing issues on March 12, 2002 from 7:00 - 9:00 PM in Birmingham,

Alabama. This meeting was designed to give stakeholders an overall understanding of the operational and regulatory aspects of these projects and invite public comment. All comments were recorded and minutes of this meeting were posted on FERC's website. This meeting was followed by a 30-day comment period to allow those individuals who were not able to attend an opportunity to provide written comments.

Based on comments received regarding SD1, FERC is working on NEPA SD2

Jim and Barry: should we reference upgrades? If so, we can use the following paragraph.

4.0 Project Upgrades

Concurrent with the relicensing process, APC investigated the feasibility of upgrading their project units. APC determined that upgrading a unit at Jordan (#82) and a single unit each at the Lay and Bouldin developments (Coosa River Project, #2146) would be feasible during the next two years and may help in addressing existing relicensing issues. Other project upgrades will be presented and analyzed as an action alternative in the APEA and license application.

APC presented their proposed approach to upgrading units to the stakeholders at the May 20, 2002 meeting. APC is preparing the license amendment applications for review and comment by the stakeholders. APC anticipates filing the amendment application in the fall 2002.

5.0 Relicensing Website

APC continues to use its relicensing website to disseminate information. The following is a list of URLs (web addresses) for locations on APC's Hydro Relicensing website to view, download and/or print documents relevant to this status report:

Six-Month Status Reports:

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures):

Coosa – http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior – http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa – http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior – http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

Electronically filed

January 30, 2003

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Six-month Status Report on the Relicensing of Alabama Power Company's Hydroelectric Projects, FERC Nos. 2146, 2165, 82 & 618
July 2002 - December 2002

Dear Ms. Salas:

Enclosed is Alabama Power Company's (APC) six-month status report for relicensing activities for FERC Projects: 2146, 2165, 82 & 618 between the months of July and December 2002. As outlined in the Projects' Relicensing Communications Procedures, all copies of public correspondences and meeting summaries have been posted on APC's relicensing website at www.southernco.com/alpower/hydro.

Major relicensing activities occurring during this six-month period and detailed in this status report are:

1. Progress on Ecological and Recreation Issues
2. Coosa and Warrior Relicensing Process Reorganization
3. Continual Updates to the APC Hydro-Relicensing Website

A table summarizing Relicensing Team meetings and Issue Action Group (IAG) meetings over this six-month period is provided as Attachment A.

1.0 Progress on Ecological and Recreation Issues

The Warrior Cooperative Relicensing Team (WCRT) and the Coosa Cooperative Relicensing Team (CCRT) continue to use IAGs as the primary tool to address ecological and recreation relicensing issues. IAGs are small groups developed to address specific issues and include stakeholders with expertise, experience and/or a regulatory mandate. In addition to IAGs, the WCRT and the CCRT have directly addressed issues in their meetings as well as through customized issue-focused groups and issue reports. The following summarizes the actions taken with regard to specific ecological and recreation relicensing issues discussed during this time frame.

Ecological Issues

E1 – Point and Non-Point Source Pollution

The IAG is preparing and forwarding consensus based recommendations to the WCRT and CCRT regarding Point and Non-Point Source Pollution in the Warrior and Coosa Basins.

E2 – Erosion and Siltation

E2 IAG members met several times in the past six months, continuing their efforts to complete tasks outlined in the E2 work plan, including the completion of tailrace erosion surveys (see Attachment A), identification of erosion “hot-spots”, and discussion of potential monitoring at specific erosion sites. Additionally, the E2 IAG is drafting a report that will summarize the erosion surveys performed in 2002.

E3 – Water Quality in the Lakes, Rivers and Tributaries

E3 IAG members are continuing to develop comprehensive water quality reports for each

project reservoir. These reports should be completed by the end of January 2003 and will be made available as a baseline of existing water quality conditions and as a reference source for future decisions and recommendations. This IAG has also assumed the responsibilities of the E1 Point and Non-Point Source Pollution IAG.

E6– Threatened, Endangered and Sensitive Species

The IAG is forwarding consensus based recommendations to the WCRT and CCRT regarding TE&S Species in the Warrior and Coosa Basins.

E7– Exotic Species and Aquatic Plant Management Program

APC has prepared and submitted an “E7 – Exotic Species and Aquatic Plant Management Program Issue Report” (E7 Issue Report) to the WCRT and CCRT for their consideration. The E7 Issue Report includes descriptions of APC’s existing management programs for exotic species, aquatic vegetation, and mosquito control. The WCRT & CCRT reviewed the E7 Issue report and provided comments in November 2002 and based on those comments, APC has revised the report and will distribute a final version along with a set of recommendations to the WCRT and CCRT in January 2003.

E8 – Lake Level Fluctuations

E8 IAG members met once in the last six months and were able to reach consensus on an agreement to attempt to modify lake levels on the Weiss and Logan Martin Reservoirs to enhance crappie spawning and recruitment, depending on USACOE approval. The IAG has also addressed lake level issues at Lay Lake.

E10 – Downstream Releases

The E10 IAG continues to address downstream flow issues and has formed two smaller working groups – the Weiss Bypass Work Group and the Smith Tailrace Work Group. These groups were formed by the E10 IAG to specifically focus on technical aspects of aquatic resources of the Weiss Bypass and Smith tailrace. These groups met several times over the past six months to address specific downstream flow issues, including minimum flows, aquatic species requirements, including TE&S species, drought contingencies, tailrace water quality, and operations/flow models.

E11 – Entrainment & Impingement

E11 IAG members continue to make progress towards completion of the desktop entrainment study in which data from previous studies is used to estimate potential fish impingement, entrainment, and turbine mortality at each of the projects. The desktop study should be completed in early/mid 2003.

E12 – Wetlands

The E12 IAG prepared consensus based recommendations for formal presentation to the WCRT and CCRT. E12 IAG representatives have participated in the R8 IAG (Public Education) wetlands public education discussions and are working to develop public education measures consistent with the recommendations agreed upon by the E12 IAG.

Recreation Issues

R1, 2, 3, 4, & 5 IAGs

All of the R1, 2, 3, 4 & 5 IAGs are working through the four step standard process in order to identify recreational interests and needs. Specific activities for all IAGs that have occurred over the past six months are as follows:

- All R1, 2, 3, 4 & 5 IAGs have completed the questions in Steps 1 and 2 of the standard process. These steps include determining desired future conditions and establishing baseline conditions for recreation facilities, public safety, reservoir levels, downstream flows, and flood control.
- All of the IAGs have begun work on concept design plans. These plans are being developed in order to meet the needs of recreation facilities on specific reservoirs. The concept designs will be completed for each reservoir by this spring. Upon completion, each specific IAG will discuss the concept designs.
- The IAGs reviewed and prepared draft recommendations to present to the CCRT and WCRT on the lake clean-up and woody debris.
- Several stakeholders have recommended lake level changes. APC has developed a model and is analyzing lake level changes to determine the effects on various resources as a result of the proposed changes. Modeling results will be presented to the IAGs during the next several months.
- APC is preparing recommendations on sedimentation issues raised during the IAG meetings.

- Updates on the activities of the recreation IAGs were provided to the WCRT and CCRT during the November 2002 meetings.
- In addition to formal meetings, all IAGs have received emails regarding reservoir specific issues and the draft recommendations to the CCRT and WCRT.

In addition to the above bullets the following summarizes the activities of each reservoir's recreation IAG.

Mitchell

Since July, this IAG has had two formal meetings. The primary focus of these meetings was to complete the Step 2 standard process questions, update the IAG regarding the development of concept designs, and discuss the concept design for the Old Boy Scout Camp area. In addition, APC distributed information regarding the State's and APC's proposal for overnight camping within the Wildlife Management Area at Mitchell.

The Mitchell IAG anticipates meeting several times in the coming months to complete Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, and discuss the concept designs.

Jordan/Bouldin

Since July, this IAG has had two formal meetings. The primary focus of these meetings was to complete the Step 2 standard process questions, discuss the preparation of concept designs and discuss recommendations regarding woody debris and lake clean-up.

The IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss

several downstream and lake operations issues, discuss Recreational Use numbers for the Jordan Tailrace area, and discuss the concept designs.

Logan Martin

Since July, this IAG has had two formal meetings. The primary focus of these meetings was to complete the Step 2 standard process questions, discuss the preparation of concept designs and discuss recommendations regarding woody debris and lake clean-up.

The Logan Martin IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss specific sedimentation and lake level issues, and discuss concept design plans.

Weiss

Since July, this IAG has had two formal meetings. The primary focus of these meetings was to complete the Step 2 standard process questions, discuss the preparation of concept designs and discuss recommendations regarding woody debris and lake clean-up.

The Weiss IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, discuss lake level fluctuation issues, discuss recreation in the Weiss bypass area, and discuss concept design plans.

Lewis Smith

Since July, this IAG has had one formal meeting. The primary focus of this meeting was to complete the Step 2 standard process questions. One of these meetings was held in

conjunction with the WR9 issue group.

The Smith IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, and discuss concept design plans.

Lay

Since July, this IAG has had two formal meetings. The primary focus of these meetings was to complete the Step 2 standard process questions, discuss the preparation of concept designs, discuss public safety and discuss recommendations regarding woody debris and lake clean-up.

The Lay IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process; review of the Standard Process Tracking Document; discuss the public safety, sedimentation and lake level issues; and discuss concept design plans.

Henry

Since July, this IAG has had one formal meeting. The primary focus of this meeting was to complete the Step 2 standard process questions.

The Henry IAG anticipates meeting several times in the coming months to complete work on Steps 3 and 4 of the Standard Process, review the Standard Process Tracking Document, and discuss concept design plans.

R6 – Shoreline Management Plan

APC initiated discussions with the WCRT and the CCRT to develop a Shoreline Management Plan (SMP). During the November meeting of the WCRT and the CCRT, APC

presented background and introductory information as well as an SMP outline detailing how an SMP may be formed within this relicensing process. The proposed SMP will include actions on a broad range of issues included but not limited to wetlands, recreational resources, terrestrial and aquatic resources and development and shoreline permitting guidelines. The WCRT and CCRT will continue to address this issue in the coming year.

R7 – Cultural Resources

FERC held two meetings since July to discuss the R7 Cultural Resources issue and this group will continue to meet over the next several months. Major developments include consensus on the Area of Potential Effect on the Warrior River project. This restricted group will continue to meet during 2003.

R8 – Public Education

This IAG had two formal meetings since July. The IAG membership was revised during October to include the membership of more public education/relations professionals to assist the ecological and recreation IAGs through the public education/information process. The first meeting included review of the work plan, discussion of the proposed R8 interaction process and discussion of the E12 education outline. The second meeting primarily focused on the E12 public education outline and revision of the goal and interaction process. IAG members agreed to develop a needs assessment that will assist other IAGs if they propose to develop public education materials. .

The R8 IAG anticipates meeting several times in the coming months to work on the E12 public education outline and develop information to address recommendations by the E12 IAG. This IAG is primarily a resource for the ecological and recreation IAGs and will meet, on an as needed basis, regarding ecological and recreation IAGs public education requests/issues.

WR9 – Forest Service IAG

APC and the USFS have met on several occasions to discuss the USFS issues and to establish a meeting schedule for 2003. The first task for these IAG members is to work through the USFS Scoping Document 1 comments.

2.0 *Process Reorganization*

During the November CCRT and WCRT meeting, APC presented a plan to reorganize the relicensing process due to the consolidated the functions of the Coosa Eco Resource Advisory Teams (RATs) and RecRAT with those of the WCRT and CCRT. The larger relicensing teams were able to assume the duties of the RATs because the initial work of the RATs was essentially completed. Additionally, relicensing team participants felt that consolidating the RATs with the larger relicensing teams would promote efficiency and eliminate an additional level of repetitive analysis. From this point forward all responsibilities of the Coosa EcoRAT and RecRAT will now be addressed jointly by the WCRT and the CCRT.

3.0 *Relicensing Website*

APC continues to post all relicensing materials including meeting notes summaries, studies, IAG work products and other reports, memos and documents to its hydro relicensing website. The following is a list of internet web addresses for locations on APC's Hydro Relicensing website to view, download and/or print documents relevant to this status report:

Six-Month Status Reports:

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures):

Coosa – http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior – http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa – http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior – http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

R. M. Akridge

Attachment A

Summary of Relicensing Team Activities, July 2002 – December 2002

WCRT, CCRT, RecRAT & EcoRAT MEETINGS

Date	Agenda Items	Special Presentations
November 13, 2002	Ecological and Recreation IAG updates, Shoreline Management Plan, Modeling IAG, Relicensing Team Structure and General Administrative Items	Shoreline Management Plan, Modeling
November 14, 2002	General Ecological Meeting: Habitat Fragmentation, Toxins and Exotic Species & Aquatic Plant Management	Habitat Fragmentation

IAG MEETINGS

Ecological

E2 Erosion and Siltation

Date	Agenda Items	Special Presentations
July 16, 2002	IAG Meeting: Erosion study plan, preliminary erosion surveys, tributary erosion, erosion control measures	
September 16, 2002	Field Meeting: Tailrace erosion surveys; Logan Martin and Lay	
September 17, 2002	Field Meeting: Tailrace erosion survey; Mitchell	
October 31, 2002	Field Meeting: Bouldin Canal erosion survey	
November 14, 2002	IAG Meeting: Tailrace erosion surveys, erosion report, next steps	Tailrace summary review

E3 Water Quality in Lakes Rivers and Tributaries

Date	Agenda Items	Special Presentations
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Date	Agenda Items	Special Presentations
July 16, 2002	Point and Non-Point source pollution, Lay Lake water quality report, dissolved oxygen standards	Water quality report template

E8 Lake Level Fluctuations

Date	Agenda Items	Special Presentations
November 14, 2002	IAG review, lake fluctuations at Lay Lake, ecological lake level fluctuations issues	APC-ADCNR “crappie spawning” agreement

E10 Project Releases

Date	Agenda Items	Special Presentations
July 16, 2002	Weiss Bypass Work Group Meeting: Weiss Bypass field trip notes, work group membership, agency management goals, habitat preferences spreadsheet, HEC-RAS model and seasonal fluctuations	
August 29, 2002	Weiss Bypass Work Group Meeting: Lewis Smith project, Weiss Bypass, seasonal flows	Habitat and Life preferences spreadsheets, HEC-RAS model
September 17, 2002	IAG Meeting: Weiss Bypass Work Group, Smith Tailrace Work Group	
October 7, 2002	Smith Tailrace Work Group Meeting: Environmental data, Birmingham Water Board dredging permit, release temperatures, T&E species, recreation and USFWS concerns	
November 14, 2002	Weiss Bypass Work Group Meeting: HEC-RAS model,	HEC-RAS model report, Next Steps

E11 Entrainment and Impingement

Date	Agenda Items	Special Presentations
July 16, 2002	Entrainment Report update	

Date	Agenda Items	Special Presentations
November 15, 2002	Entrainment Progress Report III	

Recreation

CR1, 3, 4 & 5 Weiss

Date	Agenda Items	Special Presentations
August 13, 2002	IAG review, standard process, public safety, public education	

CR1, 3, 4 & 5 Henry

Date	Agenda Items	Special Presentations
July 17, 2002	Fieldwork, IAG review, public safety, standard process	

CR1, 3, 4 & 5 Logan Martin

Date	Agenda Items	Special Presentations
July 16, 2002	Fieldwork, IAG review, public safety, standard process	
August 07, 2002	IAG review, public safety, standard process	

CR1, 3, 4 & 5 Lay

Date	Agenda Items	Special Presentations
July 16, 2002	Fieldwork, IAG review, public safety, standard process	
August 07, 2002	IAG review, standard process	
August 13, 2002	Public safety	

CR1, 3, 4 & 5 Mitchell

Date	Agenda Items	Special Presentations
July 16, 2002	Fieldwork, IAG review, public safety, standard	

Date	Agenda Items	Special Presentations
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CR1, 3, 4 & 5 Jordan/Bouldin

Date	Agenda Items	Special Presentations
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July 17, 2002	Fieldwork, IAG review, public safety, standard process, public education	
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August 06, 2002	IAG review, public safety, standard process	
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WR1, 3, 4 & 5 Smith

Date	Agenda Items	Special Presentations
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July 16, 2002	IAG update, public safety, standard process and next steps	
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R8 Public Education

Date	Agenda Items	Special Presentations
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October 09, 2002	IAG work plan, E12 Wetlands	
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October 30, 2002	E12 Wetlands, next steps	
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Electronically filed

July 31, 2003

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Six-month Status Report on the Relicensing of Alabama Power Company's Hydroelectric Projects, FERC Nos. 2146, 2165, 82 & 618
January 2003 – June 2003

Dear Ms. Salas:

Enclosed is the Alabama Power Company's (APC) six-month status report for relicensing activities pertaining to FERC Project Nos: 2146, 2165, 82 & 618 (Projects) between the months of January and June 2003.

Major relicensing activities occurring during this six-month period and detailed in this status report are:

1. Progress Summaries of Ecological, Recreation and Forest Service Issues;
2. Continued Development of a Shoreline Management Plan; and
3. Periodic Updates to the APC Hydro-Relicensing Website

A table summarizing Warrior and Coosa Relicensing Team meetings (WCRT and CCRT) as well as Issue Action Group (IAG) meetings over this six-month period is provided in Attachment A.

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

R. M. Akridge
Manager, Hydro Services

1.0 Progress Summary of Ecological and Recreation Issues

The WCRT and the CCRT continue to address ecological and recreation relicensing issues during their plenary group meetings as well as through the smaller issue-focused, IAGs and issue reports. The following summaries highlight ecological, recreation and Forest Service relicensing efforts occurring within the past six months.

Ecological Issues

E1 – Point and Non-Point Source Pollution

An “IAG Report” with proposed recommendations and a record of IAG consultations was submitted to and approved by the WCRT and the CCRT at their January meeting. The approved E1 recommendations are:

1. The IAG recommends that APC use the Coosa Basin Assessment, the Warrior Basin Assessment, the Alabama Department of Environmental Management (ADEM) 303(d) list, and the NPDES information for developing the Coosa and Warrior Environmental Assessments. Additional information identified by the IAG will also be used in this effort.
2. The IAG recommends that APC continue to stay involved with the Clean Water Partnership (CWP) process.
3. The IAG recommends that APC share technical data with the CWP.
4. The IAG recommends that APC coordinate with ADEM and Alabama Department of Economic and Community Affairs (ADECA) to cooperate on public education efforts at the state and local levels.
5. The IAG recommends that APC incorporate ADEM and ADECA public education information into their Shoreline Management Plan.
6. The IAG recommends that this IAG consolidate its efforts with those of the E3 IAG.

E2 – Erosion and Siltation

Over the past six months, the IAG has focused its efforts on completing the Draft Tailrace Erosion “Hot-Spot” Report and preparing to address other potential erosion and siltation issues including non-tailrace erosion sites. The draft report was submitted to IAG members for review and

comment in May 2003. Additionally, APC has been planning a draft Erosion Monitoring Plan to be submitted to the IAG in the fall.

E3 – Water Quality in the Lakes, Rivers and Tributaries

Based on comments and suggestions received at its February IAG meeting, APC has completed the final water quality reports for each of the Warrior and Coosa Projects and distributed them to IAG members. The IAG has continued to discuss several water quality issues, including dissolved oxygen, aeration techniques and potential facility enhancements, as well as water quality information that will help in the formation of recommendations to the WCRT and CCRT. APC has also begun collecting water quality data in the Weiss Bypass.

E4 – Water Quantity, Use and Withdrawals

An “Issue Report” was presented to the WCRT and CCRT at their June meeting. This report describes APC’s existing water withdrawal and management policies. This report is currently being revised to address stakeholder suggestions and comments.

E5 – Toxins

APC is currently preparing an “Issue Report” for the WCRT and the CCRT to summarize and explain the current baseline of information regarding toxins in the basins. This report will assist the WCRT/CCRT in developing a potential course of action to address this issue within the relicensing process.

E6– Threatened, Endangered and Sensitive Species

An “IAG Report” with proposed recommendations and a record of IAG consultations was submitted to and approved by the WCRT and the CCRT at their January meeting. The approved E6

recommendations are:

1. Make the TE&S Species database available to other IAGs within the relicensing process.
2. Reconvene the E6 IAG should TE&S Species need further analysis as to the effects of project alternatives and recommendations.

E7– Exotic Species and Aquatic Plant Management Program

An “Issue Report” with proposed recommendations was presented to and approved by the WCRT and the CCRT at their January meeting. The approved Issue Report highlights APC’s existing efforts and proposes recommendations to address this issue within the context of relicensing. The approved E7 recommendations are:

1. APC will continue to administer its Aquatic Plant Management and Mosquito Control programs on the Coosa and Warrior Projects as described in the E7 Issue Report.
2. APC will use the E7 Issue Report to prepare relevant sections of the Environmental Assessments for the Coosa and Warrior Projects.
3. APC will include the E7 Issue Report as part of the Shoreline Management Plans for the Coosa and Warrior Projects.

E8 – Lake Level Fluctuations

The Crappie Spawning Agreement proposed by this IAG at the end of 2002 is still under consideration by the Army of Corps of Engineers and APC. APC hopes to have an update on this issue by the Fall of 2003.

E9 – Habitat Fragmentation

Fish Passage - A Coosa Fish Passage Working Group was convened and held its initial meeting in June. The Working Group has focused on potentially providing fish passage at one or more U.S. Army Corps of Engineers dams on the Alabama River, downstream of the Coosa River Project developments.

Mussel Repopulation – Technical experts from APC and the ADCNR have begun the process

of identifying potential sites for the reintroduction of mussel species within the Warrior River Basin.

E10 – Downstream Releases

Weiss Bypass Working Group – The Working Group has met three times in the past six months to discuss sample outputs from the HEC-RAS model and potential methodology for evaluating various flow scenarios.

Smith Tailrace Working Group – The Working Group has met twice since January to discuss downstream releases. The Working Group has focused on the need to maintain water quality below Lewis Smith Dam and maximize the artificial trout fishery. Additionally, the group has discussed potential measures to enhance trout habitat and angler experiences. ADCNR representatives have contacted a biologist from the Tennessee Wildlife Resources Agency with trout stream expertise to provide suggestions for improving in-stream habitat and the general health of the trout fishery.

E11 – Entrainment & Impingement

The IAG met in February to discuss the progress on the entrainment study and provide suggestions on several key steps in the entrainment analysis. Based on stakeholder suggestions, the IAG is currently completing its desktop analysis of fish impingement, entrainment, and turbine mortality.

E12 – Wetlands

An “IAG Report” with proposed recommendations and a record of IAG consultations was submitted to and approved by the WCRT and the CCRT at their January meeting. The approved E12 recommendations are:

1. The E12 IAG recommends that APC provide protection for wetlands located within the project boundaries of the Warrior and Coosa hydroelectric projects. Specifically, APC should:
 - a. Incorporate the wetlands database into APC’s GIS database as a tool for administering the Shoreline Management Plan.

- b. Continue to cooperate with the ACOE wetland permitting process for developments that impact jurisdictional wetlands.
 - c. As part of the Shoreline Management Plan, APC will investigate guidelines to protect riparian zones located within the project boundary.
2. The E12 IAG recommends that the R8 IAG (Public Education) identify existing materials or programs that can be used to provide public education on wetlands and determine if additional education materials/programs should be developed. This effort should include:
 - a. Providing the E12 IAG Public Education Outline to the R8 IAG to provide direction,
 - b. 1 to 2 members of the E12 IAG working with the R8 IAG.

APC is also preparing a database report that will include a summary of wetlands in the database and appropriate maps.

Recreation Issues

R1, 2, 3, 4, & 5 IAGs

Over the past six months on two to three occasions, all the reservoir-specific recreation IAGs (R1, 2, 3, 4 & 5) have met to continue working through the four-step standard process, review the Lake Clean-up and Woody Debris recommendations, continue discussions on public safety, recreation access and other resource issues, and begin working on their respective draft concept design plans. Discussions common to all the reservoirs are highlighted below with IAG specific discussions following.

Lake Clean-up and Woody Debris Recommendations

The following Lake Clean-up and Woody Debris recommendations were presented to and subsequently accepted by the WCRT and the CCRT at their January meeting in Birmingham.

Lake Clean-up Recommendation: “A general statement will be put in the project recreation plans that states the Alabama Power Company will continue to help promote and assist lake reservoir

groups and other stakeholders in their efforts to remove trash and litter from APC reservoirs.”

Woody Debris Recommendation: “A general statement will be put in the project recreation plans that states that Alabama Power Company in coordination with Lake Associations, and the Marine Police Division will periodically monitor and review the amount, location and origin of woody debris on APC reservoirs. Should an inspection lead the Marine Police Division to conclude that a significant public safety issue might exist because of APC’s practice of releasing woody debris and trash accumulations from its dam trash racks downstream, APC will, at the request of the Marine Police Division, reopen this issue for discussion and resolution. Similarly, should the Alabama Department of Environmental Management conclude that a significant water quality issue might exist for the abovementioned reason, APC will, at the request of the Alabama Department of Environmental Management, reopen this issue for discussion and resolution.”

Draft Concept Design Plans

Since January, each reservoir IAG has begun preparing recreation draft concept design plans. These plans are being created with the intent to improve existing recreation facilities and provide for future recreation demand. To date, draft concept design plans have been presented to the Weiss, Neely Henry, Lay, Mitchell and Jordan-Bouldin IAGs. The Logan Martin and Smith IAGs have also been working on their respective draft concept designs, but will not formally discuss them until this fall. The draft concept design plans were prepared based on stakeholder input, an assessment of existing facilities and perceived recreation demand over the next twelve years. The Weiss, Neely Henry, Lay, Mitchell and Jordan-Bouldin IAGs have each met to review their respective plans with stakeholders providing comments and suggestions on how to improve them. Common elements found in these draft concept designs plans include parking, ADA access, boat launch areas, bank-fishing and public safety improvements.

Public Safety

Conducted in association with this relicensing process and with input from all of the recreation IAGs, APC implemented an annual funding program to help the Alabama Marine Police improve public safety on all of APC's hydroelectric reservoirs, including those subject to this relicensing. This program will be implemented effective July 1, 2003.

In addition to the shared issues outlined above, the Weiss, Neely Henry and Logan Martin IAGs have independently met to continue discussions on lake level fluctuations, woody debris, changes to operational rule-curves, modeling efforts and potential sedimentation issues at their respective lakes. Additionally the Weiss and Logan Martin IAGs have reached consensus on a sedimentation monitoring plan. At the Logan Martin Project, APC will conduct a river bottom cross sectional baseline survey similar to the one conducted at the Weiss Project in 2002. APC will then revisit this issue and perform limited analyses in 2005 to determine if sedimentation is a problem and what, if anything needs to be done to address the issue.

Lewis Smith

This IAG has met twice since January. In addition to the shared issues outlined above, this IAG has reviewed the Shoreline Management Plan, received a general relicensing update and discussed other recreation issues including styrofoam litter issues and public safety.

Lay

This IAG, in addition to the shared issues outlined above, has focused on public safety issues including the APC-AL Marine Police Agreement and recreation access issues.

Mitchell

Since January this IAG has primarily discussed the shared issues outlined above.

Jordan-Bouldin

In addition to the shared issues outlined above this IAG has reviewed their progress with the four-step standard process, recreation access, and lake level fluctuations.

R6 – Shoreline Management Plan

See Shoreline Management Plan Section 2.0 below.

R7 – Cultural Resources

FERC has held several meetings since January to discuss cultural resources issues. This group continues to discuss the area of potential effect, the development of a programmatic agreement, the consequences of project operations, as well as cultural and historical site identification standards and methods.

R8 – Public Education

There have been no meetings of this group in the past six months. This IAG is convened at the request of other IAGs.

WR9 – Forest Service IAG

See *Forest Service Issues* below.

Forest Service Issues

APC has met with USFS representatives on several occasions over the past six months to discuss issues pertaining to Bankhead National Forest lands included in and adjacent to the Lewis Smith Project boundary. Meetings have focused on potential ways to satisfy USFS information/study requests relative to ecological and recreation issues. These discussions have focused on water quality, aquatic and terrestrial habitat fragmentation, lake level fluctuations, informal access areas, woody debris clean-up, beach sand maintenance, recreation capacity, recreation facility improvements and the Sipsey Fork Wild and Scenic River. Below are brief descriptions of progress relative to these issues.

Water Quality - APC has begun collecting supplemental water quality data in several tributaries to Smith Lake: Clear Creek, West Sipsey, and Brushy Creek.

Aquatic Habitat Fragmentation - APC has developed a draft study plan and is currently working with USFS technical experts in implementing this plan. The technical group has agreed to a list of species to investigate and APC is currently gathering information on those species. APC is also working with the USFS to develop GIS maps of potential aquatic barriers in the Smith Lake watershed.

Terrestrial Habitat Fragmentation – APC developed a study plan with input from Dr. David Whetstone and engaged him to perform limited surveys of USFS lands adjacent to Smith Lake to determine the degree of project induced impacts on terrestrial species adjacent to the lake.

Lake Level Fluctuations - APC is currently performing limited surveys on USFS adjacent to Smith Lake to determine the potential impact of lake level fluctuations on terrestrial threatened, endangered and sensitive species. General levels of erosion are also noted in these surveys.

Informal Access Areas – APC has surveyed all of the Informal Access sites identified by USFS to determine if any ecological resource impacts are occurring as individuals use USFS property in association with accessing Smith Lake.

Woody Debris Clean-up – APC has worked cooperatively with the USFS to address this issue. APC

and the USFS have discussed a joint effort to remove woody debris from USFS recreation sites. APC has proposed that the most effective approach to debris removal is to delay the removal until late May because lake levels should be stabilized at that time and then only one clean up would be necessary.

Beach Sand Maintenance – APC has stated that they are interested in working with the USFS to address this as a relicensing issue. APC has been researching and investigating ways to address this issue and work with the USFS.

Recreation Capacity – APC and the USFS have discussed existing recreation capacity as well as how both entities can plan for future recreation needs. APC has prepared a report of all recreation use data and the USFS is reviewing this report to determine its adequacy and applicability to the USFS recreation sites.

Recreation Facility Improvements –The USFS had identified some specific sites and tasks that could be enhanced and has requested APC consider cooperating on improving these sites. In addition to improving access, the USFS has identified several common repairs that need to be addressed. Due to budget shortfalls, the USFS is looking to work with APC to develop alternatives to address these improvements.

Sipsey Fork Wild and Scenic River – The USFS is concerned that project operations may be having an adverse impact on the Sipsey Fork Wild and Scenic River, specifically in regards to how various water elevations might encourage motorized boating into areas of the Wild and Scenic River have historically not available to motorized boating. APC has provided operational data and GIS maps of various operating elevations and are continuing discussions with the USFS to determine potential management options and to further investigate this issue.

2.0 *Shoreline Management Plan*

Since January, the development of a Shoreline Management Plan has been jointly undertaken by the WCRT and the CCRT. The WCRT and the CCRT have met twice in the past six months to review the draft SMP outline and revisions to that outline. The WCRT and the CCRT have continued to address this issue in their meetings because an SMP is a comprehensive plan, encompassing both ecological and recreation issues. In January, the groups discussed a process for developing the SMP as well as a very preliminary outline of what will be included in the SMP. The WCRT and CCRT agreed to develop overarching goals, objectives and common components of the SMP first and then focus on reservoir specific issues that will be included in each respective plan. Also at this meeting, the two groups reviewed APC's existing shoreline permitting processes. Based on input provided by stakeholders at the January meeting, APC revised the SMP outline and presented those revisions to the two groups at their June meeting. At their June meeting, WCRT and CCRT members discussed the revised SMP outline and using small "break out sessions", provided substantial feedback to APC on the overall goals of the SMP as well as specific components including land classifications, shoreline permitting and potential best management practices. APC plans to revise the SMP again and begin meeting with reservoir specific groups to discuss their issues relative to the SMP.

3.0 Relicensing Website

As outlined in the Projects' Relicensing Communications Procedures, all copies of public correspondences and meeting summaries have been posted on APC's relicensing website at www.southernco.com/alpower/hydro.

APC publishes all relicensing materials including meeting notes summaries, studies, IAG work products and other reports, memos and documents to its hydro relicensing website. The following list of internet web addresses identifies locations on APC's Hydro Relicensing website to view, download and/or print documents relevant to this status report:

Six-Month Status Reports:

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures):

Coosa – http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior – http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa – http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior – http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

Attachment A

Summary of Relicensing Team Activities – January 2003 – July 2003

WCRT and CCRT MEETINGS

Date	Agenda Items	Special Presentations
January 22, 2003	Ecological and Recreation IAG Recommendations, Shoreline Management Plan	Getting to Consensus / Decision Making Processes
June 19, 2003	E4 IAG Report, Shoreline Management Plan	Relicensing Process Update, Water Withdrawals

Forest Service Issues

Date	Agenda Items	Special Presentations
January 23, 2003	Comments to NEPA Scoping Document 1	
February 11, 2003	Recreation Issues	
April 24, 2003	Ecological and Recreation Study Requests	
March 19, 2003	Recreation Issues; Matrix of Issues	
May 8, 2003	Water quality study requests; habitat fragmentation	
June 18, 2003	Water quality, aquatic and terrestrial habitat fragmentation, informal access areas	

IAG MEETINGS

Ecological

E3 Water Quality in Lakes Rivers and Tributaries

Date	Agenda Items	Special Presentations
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Date	Agenda Items	Special Presentations
February 19, 2003	Draft Reservoir Water Quality Reports	

E9 Habitat Fragmentation

Date	Agenda Items	Special Presentations
June 18, 2003	Coosa Fish Passage Working Group	

E10 Project Releases

Date	Agenda Items	Special Presentations
February 19, 2003	Weiss Bypass and Smith Tailrace Working Groups	
March 19, 2003	Weiss Bypass and Smith Tailrace Working Groups	
June 18, 2003	Weiss Bypass and Smith Tailrace Working Groups	

E11 Entrainment and Impingement

Date	Agenda Items	Special Presentations
February 19, 2003	Entrainment Report Progress	

Recreation

WR1, 3, 4 & 5 Smith

Date	Agenda Items	Special Presentations
January 14, 2003	Lake Clean-up and Woody Debris Recommendations	
March 19, 2003	Relicensing Update, Shoreline Management Plan, Miscellaneous Issues	

CR1, 3, 4 & 5 Weiss

Date	Agenda Items	Special Presentations
March 10, 2003	Modeling	Modeling Efforts

Date	Agenda Items	Special Presentations
May 07, 2003	Public Safety Proposal, Sedimentation	
June 18, 2003	Draft Concept Design Plans	
CR1, 3, 4 & 5 Neely Henry		

Date	Agenda Items	Special Presentations
March 18, 2003	Draft Concept Design Plans	
May 07, 2003	APC-AL Marine Police Public Safety Proposal, Lake Level Fluctuations	
CR1, 3, 4 & 5 Logan Martin		

Date	Agenda Items	Special Presentations
March 10, 2003	Modeling	Modeling Efforts
May 07, 2003	APC-AL Marine Police Public Safety Proposal, Lake Level Fluctuations	
CR1, 3, 4 & 5 Lay		

Date	Agenda Items	Special Presentations
March 18, 2003	Public Safety Issues, Underwater Timber	
May 1, 2003	APC-AL Marine Police Public Safety Proposal, Lake Level Fluctuations	
June 18, 2003	Draft Concept Design Plans	
CR1, 3, 4 & 5 Mitchell		

Date	Agenda Items	Special Presentations
February 19, 2003	Draft Concept Design Plans	
April 30, 2003	APC-AL Marine Police Public Safety Proposal	

CR1, 3, 4 & 5 Jordan/Bouldin

Date	Agenda Items	Special Presentations
March 18, 2003	Standard Process, Recreation Access, Draft Concept Design Plans	
May 07, 2003	APC-AL Marine Police Public Safety Proposal, Lake Level Fluctuations	

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Post Office Box 2641
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Tel 205.257.1000



Electronically filed

February 2, 2004

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Six-month Status Report on the Relicensing of Alabama Power Company's
Hydroelectric Projects, FERC Nos. 2146, 2165, 82 & 618
July 2003 –December 2003

Dear Ms. Salas:

Enclosed is the Alabama Power Company's (APC) six-month status report for relicensing activities pertaining to FERC Project Nos. 2146, 2165, 82 & 618 (Projects) between the months of July 2003 and December 2003.

Over the past six months APC has continued to work cooperatively with a number of interested stakeholders to move forward on addressing and resolving key relicensing issues. APC has held several meetings and public workshops with stakeholders and has worked very diligently to engage local parties that have not actively participated in this relicensing process.

Major relicensing activities occurring during this six-month period and detailed in this status report are:

1. Progress summaries of ecological and recreation Issue Action Groups (IAGs);
2. A detailed description of state and local consultation efforts regarding proposed recreation facility improvements;
3. A meeting between the Commission and the USFS that APC attended;
4. The continued development of a Shoreline Management Plan; and
5. Periodic updates to the APC Hydro-Relicensing Website.

A table listing all relicensing meetings and activities including shoreline management plan workshops, and Issue Action Group (IAG) meetings has been provided as Attachment A.

A list highlighting APC meetings between state and local governments regarding recreation facility improvements has also been provided as Attachment B.

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

R. M. Akridge
General Manager, Hydro Generation

Ecological Issues

E2 – Erosion and Siltation

Over the past six months, this IAG has focused its efforts on completing the Draft Tailrace Erosion “Hot-Spot” Report and preparing to address other potential erosion and siltation issues including tributary and storage reservoir shoreline erosion. The IAG met on July 1, 2003 to discuss the draft erosion report. Additionally, APC is developing an Erosion Monitoring Plan to submit to the IAG for review.

E3 – Water Quality in the Lakes, Rivers and Tributaries

Alabama Power is currently preparing its Section 401 Water Quality Certification applications for submittal to the Alabama Department of Environmental Management.

E4 – Water Quantity, Use and Withdrawals

Alabama Power has finalized its “Issue Report” which describes the company’s existing FERC-approved water withdrawal and management policies. A draft report had been previously circulated to the stakeholders for review and comment.

E5 – Toxins

APC prepared an “Issue Report” for the Warrior Cooperative Relicensing Team (WCRT) and the Coosa Cooperative Relicensing Team (CCRT) to summarize the current baseline of information on toxins in the basins. This report was presented to the WCRT/CCRT on November 13, 2003. The report is currently being revised to address comments received at that meeting and will be issued as “final” in the first quarter of 2004.

E6– Threatened, Endangered and Sensitive Species

Alabama Power is drafting a report to document and summarize the E6 threatened and endangered species database. Additionally, on August 14, 2003, FERC designated APC as its non-federal representative for the purpose of initiating consultation with the U.S. Fish and Wildlife Service (USFWS), under Section 7 of the Endangered species Act for any federally listed species. Alabama Power will begin informal consultation with the USFWS in February 2004.

E7– Exotic Species and Aquatic Plant Management Program

Alabama Power revised the management program “Issue Report” to include new state laws governing stocking and species introductions in public waters. The revised Issue Report has been distributed to stakeholders and posted to the relicensing website.

E9 – Habitat Fragmentation

Fish Passage - A Coosa Fish Passage Working Group was convened and held its initial meeting in June. The Working Group has focused on potentially providing fish passage at one or more U.S. Army Corps of Engineers dams on the Alabama River, downstream of the Coosa River Project developments. This Working Group has not met again in the past six months as they are waiting for the USFWS and their legal staff to make some determinations on future agreements and consultation relative to alternative fish passage on the Alabama River.

Mussel Repopulation – Technical experts from APC and the ADCNR have begun the process of identifying potential sites for the reintroduction of mussel species within the Warrior River Basin. They have reviewed and investigated 14 sites in the Warrior River Basin.

E10 – Downstream Releases

Weiss Bypass Working Group – The Working Group has met three times in the past six months to discuss various aspects of minimum flows in the Weiss Bypass. Specifically, the

Group agreed that an adaptive management approach to flows in the Bypass is necessary. In December 2003, at the request of Group members, APC distributed examples of adaptive management approaches at other FERC projects and prepared and distributed a compact disc (CD) that included a summary of monitoring and research efforts in the Weiss Bypass. Based on this information, Group members will begin developing management goals and an adaptive management plan for the Weiss Bypass during the first quarter of 2004.

Smith Tailrace Working Group – The Working Group has met three times in the past six months and has focused on the need to maintain water quality below Lewis Smith Dam and maximize the trout fishery in the tailrace. The group met at the Dam in August 2003 to view a flow demonstration in the tailrace by canoe and from the bank. As part of this on-site field meeting, a trout stream specialist from the Tennessee Wildlife Resource Agency (Frank Fiss) provided input to Group members regarding flows and habitat in the tailrace. In September, the group met to discuss various flow plan proposals regarding flow frequency and duration. In November, the group discussed potential methods to deliver a supplemental base flow using modified penstock drain valves. The Group will meet several times over the next six months to develop and finalize a plan to deliver supplemental base flows to the tailrace.

E11 – Entrainment & Impingement

The IAG met on November 6, 2003 to discuss the draft final entrainment report and provide comments. Based on those comments, the report was revised and distributed as “final” to the IAG members on December 12, 2003. The IAG will meet in the first quarter of 2004 to develop and discuss recommendations to propose to the WCRT and CCRT regarding this issue.

E12 – Wetlands

APC prepared and distributed a report that summarized the E12 wetland database for the Coosa and Warrior projects in September 2003. The report includes explanations of wetland classification systems and how the wetland database was created, as well as a summary of wetland acreage for each project development.

Recreation Issues

During the past six months the recreation IAGs have focused almost exclusively on developing the draft concept design plans, which were created to address recreation access and use concerns at existing (formal and informal) project sites. Each reservoir IAG met at least twice either individually or with other IAGs (in a combined Upper or Lower Coosa meeting) to discuss these plans. The draft concept design plans, which layout physical improvements and an implementation schedule, were specifically developed based on existing capacity, population projections, site security and construction feasibility as well as bank fishing, parking and ADA opportunities. Typically a draft concept design plan included parking, road access and recreation improvements and a schedule of when these improvements should be made. In some cases a phased approach (multi-year) was proposed for implementing facility improvements.

APC generally drafted the design plans and then presented them to the IAGs for their comments, which were evaluated and either incorporated, or in cases where they were not incorporated, an explanation was provided to the specific commenter. The IAG was given the opportunity to comment on the actual design of the improvements as well as when the improvements should be made.

The results of these discussions were relayed by APC staff to local governments that were determined to be an essential partner in their eventual implementation (additional details provided below).

State and Local Consultation Efforts Re: Proposed Recreation Facility Improvements

As a result of numerous discussions concerning the draft concept design plans, the recreation IAGs agreed that their successful implementation would require consultation with and participation from local county and city governments.

Representatives from Alabama Power, acting as agents of the IAGs, have met with over

15 local county and municipal governments to discuss the plans and the potential implementation of the draft concept design plans. APC undertook this extra consultation effort to develop partnerships with local communities that will eventually lead to improved recreation facilities benefiting the local communities at the Projects.

After presenting background information about the relicensing process, APC representatives presented the draft concept design plans for discussion. Specifically, APC attempted to determine the local government's interest in the facility improvements and its ability to provide policing and litter removal services. These meetings typically involved officials who have not been regularly engaged in the relicensing process, but who have the local authority to work with APC on implementing these plans. APC reported to the IAGs on December 11, 2003, that these consultations were very appreciated by the respective local officials and as a result, APC received both very favorable support for the ongoing process and valuable feedback on the draft concept design plans.

In addition to meeting with local county and city governments, APC also met in August with the Alabama Departments of Transportation, and the Alabama Department of Conservation and Natural Resources. With a number of the concept design sites located on state right-of-way lands, their input and support is essential for implementation of the draft concept design plans.

FERC-USFS Meeting in which APC was in Attendance

In July members of APC's relicensing team attended a meeting between the Commission and the US Forest Service. At this meeting the two agencies discussed coordination efforts concerning this relicensing and Commission policies relative to a number of Forest Service issues.

Shoreline Management Plan

In the past six months relicensing stakeholders have met twice, once in September and again in November to continue developing the shoreline management plan. As with previous

shoreline management plan meetings, stakeholders first met in a large plenary group to discuss shoreline issues and then divided into smaller reservoir specific groups to continue discussing these issues. Following each meeting, summaries were distributed to stakeholders and placed on APC's hydro-relicensing website for review. Several stakeholders have submitted comments in response to these meeting summaries and APC has recorded and is reviewing the comments for possible inclusion into the next draft of the shoreline management plan.

In these shoreline management plan meetings, stakeholders have discussed and commented on several aspects of the shoreline management plan including its overarching goals, the newly drafted shoreline conservation policy, proposed shoreline classifications, best management practices, and modifications to the existing lake shore use permitting program.

Relicensing Website

As outlined in the relicensing communications procedures, all copies of public correspondences and meeting summaries have been posted on APC's hydro-relicensing website at www.southernco.com/alpower/hydro.

APC publishes all relicensing materials including meeting notes summaries, studies, IAG work products and other reports, as well as memos and documents to its hydro-relicensing website. The following list of internet web addresses identifies locations on APC's Hydro Relicensing website to view, download and/or print documents relevant to this status report:

Six-Month Status Reports:

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures):

Coosa – http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior – http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa – http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior – http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

ATTACHMENT A

List of Relicensing Team Meetings and Activities July 2003 – December 2003

Shoreline Management Plan

Date	Agenda Items
September 17, 2003	Plan Goals, Shoreline Conservation Policy, Shoreline Classifications
November 13, 2003	Shoreline Classifications, Permit Program, Best Management Practices

Meetings with the US Forest Service

Date	Agenda Items
July 29, 2003	Process coordination, FERC policies relative to some FS issues

Ecological Issue Action Group Meetings

E2 Erosion and Sedimentation

Date	Agenda Items
July 1, 2003	Erosion Report Review; shoreline erosion; tributary erosion

E9 Habitat Fragmentation

Date	Agenda Items
July 18, 2003	Smith Reservoir

E10 Project Releases

Date	Agenda Items
August 21, 2003	Weiss Bypass
August 22, 2003	Smith Tailrace
September 17, 2003	Smith Tailrace
November 12, 2003	Weiss Bypass, Smith Tailrace

E11 Entrainment and Impingement

Date	Agenda Items
November 6, 2003	Review of draft final report

Recreation Issue Action Group Meetings

WR1, 3, 4 & 5 Smith

Date	Agenda Items
August 26, 2003	General relicensing
October 1, 2003	Draft Concept Design Plans

Combined Upper Coosa

Date	Agenda Items
August 27, 2003	Draft Concept Design Plans, Recreation Issues
December 11, 2003	Draft Concept Design Plans, Review of County Meetings

Combined Lower Coosa

Date	Agenda Items
August 27, 2003	Draft Concept Design Plans, Recreation Issues
December 11, 2003	Draft Concept Design Plans, Review of County Meetings

CR1, 3, 4 & 5 Logan Martin

Date	Agenda Items
October 1, 2003	Draft Concept Design Plans

Combined CR1, 3, 4 & 5 Weiss and Logan Martin

Date	Agenda Items
October 16, 2003	Requested Operational Changes

CR7 Cultural Resources

Date	Agenda Items
June 27, 2003	Existing Information, Field Studies
August 12, 2003	Field Studies
October 9, 2003	Collected Data
December 15, 2003	Coosa River Site Visits
December 17, 2003	Coosa River Site Visits

ATTACHMENT B

List of Meetings between Alabama Power and state and local governments in regards to Recreation Facility Improvements July 2003 – December 2003

Date	Local Government
August 18, 2003	Alabama Department of Conservation and Natural Resources
August 18, 2003	Alabama Department of Transportation
September 22, 2003	Shelby County
September 23, 2003	City of Gadsden
September 25, 2003	Elmore County
September 25, 2003	Coosa County
October 14, 2003	Rainbow City
October 14, 2003	Etowah County
October 14, 2003	Cherokee County
October 14, 2003	City of Centre
October 14, 2003	City of Cedar Bluff
October 15, 2003	St. Claire County
October 15, 2003	Talladega County
October 15, 2003	City of Childersburg
October 21, 2003	Chilton County
October 22, 2003	Calhoun County
December 18, 2003	Cullman County
December 18, 2003	Walker County

Electronically filed

July 29, 2004

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Six-month Status Report on the Relicensing of Alabama Power Company's Hydroelectric
Projects, FERC Nos. 2146, 2165, 82 & 618
January 2004 – June 2004

Dear Ms. Salas:

Enclosed is Alabama Power Company's (APC) six-month status report for relicensing activities pertaining to FERC Project Nos. 2146, 2165, 82 and 618 (Projects) between the months of January 2004 and June 2004.

Over the past six months APC has continued to work cooperatively with a number of interested stakeholders to move forward on addressing and resolving key relicensing issues. APC has held several meetings and public workshops with stakeholders and has worked diligently to engage local parties that have not actively participated in this relicensing process.

Major relicensing activities occurring during this six-month period and detailed in this status report are:

1. Progress summaries of ecological and recreation Issue Action Groups (IAGs);
2. A detailed description of state and local consultation efforts regarding proposed recreation facility improvements;
3. The continued development of a Shoreline Management Plan;
4. Discussion of Alternatives, the NEPA Process and the Relicensing Proposals to Date;
and
5. Periodic updates to the APC Hydro-Relicensing Website.

A table listing all relicensing meetings and activities including Shoreline Management Plan workshops, and IAG meetings has been provided as Attachment A.

A list highlighting APC meetings between state and local governments regarding recreation facility improvements has also been provided as Attachment B.

If you have any questions, please contact Jim Crew at (215) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

R. M. Akridge
General Manager, Hydro Generation

Ecological Issue Action Groups

E2 – Erosion and Siltation

The Erosion “Hot-Spot” Report, which was in draft format at the time of the last update, was finalized in April 2004. The report details erosion survey work conducted on the Coosa and Warrior Projects and identifies several areas that likely will require monitoring and possibly repairs to reduce erosion. Over the past six months, the E2 IAG has developed a Draft Erosion Monitoring Plan, which is currently in review and likely finalized by August 2004.

E3 – Water Quality in the Lakes, Rivers and Tributaries

Alabama Power has prepared and submitted Section 401 Water Quality Certification applications for the Warrior and Coosa Basin Projects to the Alabama Department of Environmental Management (ADEM). The applications are currently being reviewed by ADEM.

E5 – Toxins

APC prepared an “Issue Report” for the Warrior Cooperative Relicensing Team (WCRT) and the Coosa Cooperative Relicensing Team (CCRT) to summarize the current baseline of information on toxins in the basins. This report was presented to the WCRT/CCRT on November 13, 2003. Based on comments received from the CCRT and WCRT during the November meeting, revisions were made and the report was finalized in May of 2004. The final version of the E5 Toxins Issue Report can be found on APC’s relicensing website.

E6– Threatened, Endangered and Sensitive Species

Since the previous update, APC has completed compilation of a report to document and summarize the E6 Threatened and Endangered Species Database. The E6 Threatened and

Endangered Species Database Summary Report was finalized in April 2004 and has been posted to the relicensing website.

On August 14, 2003, FERC designated APC as its non-federal representative for the purpose of initiating consultation with the U.S. Fish and Wildlife Service (USFWS) under Section 7 of the Endangered Species Act. In mid-January 2004, APC initiated informal consultation with USFWS and submitted proposed lists of species to be analyzed as part of the Section 7 process. A follow-up meeting was held with USFWS in February 2004 to discuss the proposed species lists, the Section 7 process, and a proposed timeline for consultation. The proposed species lists were subsequently reviewed by USFWS and revised species lists were issued in March (Coosa) and April (Warrior) of this year. Currently, APC is working with USFWS staff to assess the status of listed species in the Warrior and Coosa Basins, determine data availability and needs, and initiate analyses under Section 7.

E9 – Habitat Fragmentation

Fish Passage - The Coosa Fish Passage Working Group met on April 14, 2004. The Working Group continued discussions regarding the potential for APC to assist with providing fish passage at one or more U.S. Army Corps of Engineers dams on the Alabama River, downstream of the Coosa Project developments. According to USFWS staff, discussions are ongoing with their legal staff and they are nearing a recommendation regarding this matter. In the meantime, a “concept document” which details seven elements that the USFWS deems necessary to successful establishment of alternative passage on the Alabama River has been drafted and is undergoing internal APC review.

E10 – Downstream Releases

Weiss Bypass Working Group – This Working Group has met three times in the past six months to discuss various aspects of establishing minimum flows in the Weiss Bypass. The group’s efforts over the past six months have focused primarily on development of a Draft Adaptive Management Plan (AMP). To facilitate development of the AMP, three technical

groups were formed (fish, mollusks and macroinvertebrates, and water quality) during the first quarter of 2004. These technical groups developed management goals and objectives for the Weiss bypass, which were subsequently revised and approved by the larger Working Group. In addition, a Draft AMP, as well as a Draft Monitoring Plan, was developed for the Weiss Bypass and both are currently under revision by the Working Group. To provide baseline data needed to implement the adaptive management strategy, spring spawning sampling of the fish communities of the bypass was conducted in March 2004 and preliminary fish and macroinvertebrate samples were collected in May 2004.

Smith Tailrace Working Group – The Smith Working Group has not met over the past six months, but has scheduled a meeting in mid-July 2004 to discuss a protection and enhancement package for the Smith Tailrace area.

E13 – Wildlife Management

Based on consultation with staff from the Wildlife Division of the Alabama Department of Conservation and Natural Resources (ADCNR), APC developed a draft Wildlife Management Plan framework for the project lands surrounding the Warrior and Coosa basin developments. The draft plan was submitted to the ADCNR in May 2004 and is currently being reviewed by the agency. A meeting between APC and the ADCNR has been scheduled for July 30, 2004 to discuss the draft plan.

Recreation Issue Action Groups

During the past six months the recreation IAGs have focused almost exclusively on developing and prioritizing the draft concept design plans, which were created to address recreation access and use concerns at existing (formal and informal) project sites. Each reservoir IAG met at least once either individually or with other IAGs (in a combined Warrior and Coosa meeting) to discuss these plans. The draft plans, which layout physical improvements and an implementation schedule, were specifically developed based on existing capacity, population projections, community support, site security and construction feasibility, as well as considering

bank fishing, parking and facilities and access that meet American with Disabilities Act (ADA) requirements. Typically a draft concept design plan included parking, road access and recreation improvements and a schedule of when these improvements should be made. In some cases a phased approach (multi-year) was proposed for implementing facility improvements.

State and Local Consultation Efforts Re: Proposed Recreation Facility Improvements

As a result of numerous discussions concerning the draft concept design plans, the recreation IAGs agreed that their successful implementation would require consultation with and participation from local county and municipal governments. During late 2003 and early 2004, APC representatives, acting as agents of the IAGs, met with over 15 local county and municipal governments to discuss the plans and the potential implementation of the draft concept design plans. Specifically these meetings were aimed at determining the local government's interest in the facility improvements and its ability to provide policing, litter removal, and other services. During the first six month of 2004, follow-up meeting were held with a number of counties and municipalities as APC continues to work to develop partnerships that will lead to improved recreation facilities benefiting the local communities surrounding the Projects.

Shoreline Management Plans

A public meeting was held on April 14, 2004 to continue developing the Shoreline Management Plans (SMP). Prior to the meeting, stakeholders were provided with a copy of the Revised SMP and a list of changes to the document that were made as a result of previous comments. As with previous SMP meetings, stakeholders first met in a large plenary group to discuss shoreline issues and review shoreline classification maps with APC representatives and then divided into smaller reservoir specific groups to continue discussing issues relative to their reservoirs.

In this SMP meeting, stakeholders discussed and commented on several aspects of the shoreline management plan including its overarching goals, the newly drafted shoreline conservation policies, shoreline classification maps, best management practices, and

modifications to the existing lake shore use permitting program. Of particular note for this meeting, stakeholders were informed that APC is implementing a residential permitting fee structure to recoup a portion of the costs of administering their permitting program. Several comments were received based on this information and APC is evaluating these comments before implementing the final fee structure. Following the meeting, meeting notes with a summary of all comments received were distributed to stakeholders and placed on APC's hydro-relicensing website for review. Several stakeholders have submitted comments in response to the meeting and APC has recorded and is reviewing the comments for possible inclusion into the final draft of the SMP.

Meetings with the US Forest Service

Informal discussions between APC and the U.S. Forest Service (USFS) regarding ecological and recreation issues were held in February, April and June of 2004. In addition, on July 1, 2004, USFS, FERC and APC met to discuss USFS issues at the Smith development, adjacent to Bankhead National Forest. While these discussions were not formalized by preparation of meeting notes, consultation is ongoing with the agency and a more formal meeting has been planned for August 19, 2004.

NEPA Process and Presentation of Relicensing Proposals to Date

On June 10, 2004, APC met with the CCRT and the WCRT to discuss the timeline of remaining relicensing activities, with emphasis on the development and distribution of the Applicant Prepared Environmental Assessments (APEAs) for the Coosa and Warrior River Projects and the draft License Applications; and to present the proposals and various alternatives that APC had received to date. Kleinschmidt reviewed this information with the CCRT and WCRT and discussed how the documents were a compilation of the various agreements reached by the IAGs. In some cases where the IAGs did not come to agreement, the alternative views are presented. These discussions will be fully addressed in the APEAs, which are to be distributed to the stakeholders in the early fall 2004. Ron McKittrick (FERC) provided guidance on writing the document and the types of information FERC expects to see relative to the overall length and detail of the APEA. He also discussed with the CCRT and WCRT the idea of crafting license articles that closely mimic FERC's license articles. Retaining flexibility within the license

article is highly recommended by FERC.

Relicensing Website

As outlined in the relicensing communications procedures, all copies of public correspondences and meeting summaries have been posted on APC's hydro-relicensing website at www.southernco.com/alpower/hydro.

APC publishes all relicensing materials including meeting notes, summaries, studies, IAG work products and other reports, as well as memos and documents to its hydro-relicensing website. The following list of internet web addresses identifies locations on APC's Hydro Relicensing website to view, download and/or print documents relevant to this status report:

Six-Month Status Reports:

http://www.southerncompany.com/alpower/hydro/c_correspondance.asp

Team Information (meeting mailouts, meeting summaries, operation procedures):

Coosa – http://www.southerncompany.com/alpower/hydro/RTI_coosa.asp

Warrior – http://www.southerncompany.com/alpower/hydro/RTI_warrior.asp

Issues and Studies (IAG information, issue statements)

Coosa – http://www.southerncompany.com/alpower/hydro/c_issuesandstudies.asp

Warrior – http://www.southerncompany.com/alpower/hydro/w_issuesandstudies.asp

ATTACHMENT A

List of Relicensing Team Meetings and Activities January 2004 – June 2004

Coosa and Warrior Cooperative Relicensing Teams (CCRT and WCRT)

Date	Agenda Items
June 10, 2004	NEPA Process, Relicensing Proposals, and Recreation Report

Shoreline Management Plan

Date	Agenda Items
April 14, 2004	Shoreline Management Policies, Shoreline Permitting Process and Fees, Shoreline Classifications

Meetings with the US Forest Service

Date	Agenda Items
February 19, 2004	Ecological Issues / Recreation Facility Improvements
April 20, 2004	Ecological Issues / Recreation Facility Improvements
June 17, 2004	Ecological Issues / Recreation Facility Improvements

Ecological Issue Action Group Meetings

E6 Threatened, Endangered and Sensitive Species

Date	Agenda Items
February 18, 2004	ESA Section 7 Consultation
April 15, 2004	ESA Section 7 Consultation

E9 Habitat Fragmentation

Date	Agenda Items
April 15, 2004	Fish Passage on the Coosa River

E10 Project Releases

Date	Agenda Items
February 4, 2004	Weiss Bypass Working Group
March 9, 2004	Weiss Bypass Spring Spawning Fish Sampling
March 18, 2004	Weiss Bypass Working Group
April 15, 2004	Weiss Bypass Working Group
May 10, 2004	Weiss Bypass Fish and Macroinvertebrate Sampling
May 20, 2004	Weiss Bypass Working Group

Recreation Issue Action Group Meetings

Warrior (R1, 2, 3, 4 & 5)

Date	Agenda Items
January 7, 2004	Draft Concept Design Plans

Combined Warrior and Coosa (R1, 2, 3, 4 & 5)

Date	Agenda Items
May 5, 2004	Concept Design Process Review, Recreation Plan and Adaptive Management

Recreation Meetings with Other Stakeholders

Date	Stakeholder Group	Agenda Items
February 16, 2004	Alabama B.A.S.S. Federation	Recreation Facility Improvements
March 23, 2004	Mitchell Lake Homeowner's Association	Recreation Facility Improvements
March 23, 2004	Alabama Marine Police	Public Safety Update

ATTACHMENT B

List of Meetings between Alabama Power and state and local governments in regards to Recreation Facility Improvements January 2004 – July 2004

Date	Local Government
January 6, 2004	Winston County
April 7, 2004	Chilton County
April 13, 2004	Alabama Department of Conservation and Natural Resources
May 5, 2004	City of Southside
June 9, 2004	Winston County
June 15, 2004	City of Gadsden

600 North 18th Street
Post Office Box 2641
Birmingham, Alabama 35291

Tel 205.257.1000



Electronically filed

January 31, 2005

Ms. Magalie Roman Salas
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: Six-month Status Report on the Relicensing of Alabama Power Company's
Hydroelectric Projects, FERC Nos. 2146, 2165, 82 & 618
July 2004 – December 2004

Dear Ms. Salas:

Enclosed is Alabama Power Company's (APC) six-month status report for relicensing activities pertaining to FERC Project Nos. 2146, 2165, 82 and 618 (Projects) between the months of July 2004 and December 2004.

Over the past six months APC has continued to work cooperatively with a number of interested stakeholders to move forward on addressing and resolving key relicensing issues. A relicensing milestone was reached during this period (distribution of draft license applications and preliminary draft Applicant Prepared Environment

Assessments), and APC continues to meet with stakeholders and has worked to bring remaining issues to a close.

Major relicensing activities occurring during this six-month period and detailed in this status report are:

1. Distribution of Draft License Applications, preliminary draft Applicant Prepared Environmental Assessments, and Shoreline Management Plans;
2. Progress summaries of ecological and recreation Issue Action Groups (IAGs);
3. Continued negotiation between APC and the U.S. Forest Service on a draft settlement agreement; and
4. Continued consultation with state and local governments on recreation facility improvements.

A table listing all relicensing meetings and activities including IAG meetings and Cooperative Resource Team (CRT) meetings has been provided as Attachment A.

A list highlighting APC meetings between state and local governments regarding recreation facility improvements has also been provided as Attachment B.

If you have any questions, please contact Jim Crew at (205) 257-4265 or Barry Lovett at (205) 257-1268.

Very Truly Yours,

R. M. Akridge
General Manager, Hydro

Draft License Applications, Draft Applicant Prepared Environmental Assessments, and Shoreline Management Plans

On December 8, 2004, APC held a joint meeting of the Warrior Cooperative Relicensing Team and the Coosa Cooperative Relicensing Team to distribute the draft license applications and preliminary draft Applicant Prepared Environmental Assessments. The format of the documents was presented and questions about how to comment were addressed. A member of the FERC staff was also available and answered questions regarding the relicensing process after the documents are filed with FERC in July 2005.

APC also distributed the Shoreline Management Plans (SMPs) at this meeting. APC spent considerable effort to address all comments received on the draft Plans, and believes that the collaborative result will benefit all Project resources. As a result of continuing research for the SMP maps, APC discovered some additional lands that it owns around the Weiss, Neely Henry, Logan Martin, and Lay Reservoirs. The exact delineation of the ownership boundary varies from reservoir to reservoir and “steps up” on each reservoir going upstream. Because of this additional ownership, APC will be able to implement the required BMPs on these lands, which should benefit the resources. Revised SMP maps will be distributed in February 2005.

Progress Summaries of Issue Action Groups

E6 – Threatened and Endangered Species

APC has held multiple meetings with the U.S. Fish and Wildlife Service (USFWS) over the past six months and has made significant progress on Section 7 Consultation. Specifically, APC has worked with the USFWS to further refine the list of federally-listed species and critical habitats that occur or potentially occur within the project boundaries. In addition, draft Biological Assessments (BAs) have been prepared for both the Warrior and Coosa projects to assess the potential impacts of APC’s relicensing proposals on listed species. The BAs will form the basis for the USFWS to

prepare their Biological Opinion, and are being prepared in close coordination with the agency.

E10 – Project Releases

The Weiss Bypass Working Group met to further refine the Weiss Bypass Adaptive Management Plan. Members of this group also completed collection of the first year of baseline field data for the Weiss Bypass. The group plans to meet again in early 2005 to discuss the baseline data and provide final revisions to the AMP.

E13 – Wildlife Management Plan

APC met with the Alabama Department of Conservation and Natural Resources (ADCNR) twice during the last six months to discuss wildlife management on the Coosa and Warrior Basin project lands. The E13 group has drafted a Wildlife Management Plan for the projects, which is currently being reviewed by the agency. The draft plan incorporates the existing Wildlife Management Plan for the Mitchell Project with several basin-wide enhancements that have potential to benefit wildlife species. APC is currently in the process of seeking input from the USFWS on the draft plan.

R7 – Cultural Resources

APC and the parties on the cultural resources restricted service list met to discuss and develop the Historic Properties Management Plans (HPMP) for the Warrior and Coosa River developments. The Programmatic Agreements (PA) for the Warrior and Coosa developments require APC to develop and implement a HPMP. By the establishment of a HPMP, FERC will meet the respective requirements of Section 106 for the federal undertaking. The goal of this group is to complete the PAs before July 2005, if possible, and file with the final license applications.

WR9 – Federal Lands and Waters

The progress made in this IAG is covered in the next section.

Negotiation with U.S. Forest Service (USFS)

APC met formally with the USFS twice over the past six months; one meeting included FERC staff to address questions relative to project nexus. Besides these formal meetings, APC has been in continuous negotiations with the USFS to come to agreement on a settlement prior to filing the license application. APC and the USFS have reached a verbal agreement and are drafting the language for the protection and enhancement measures included in the agreement.

Recreation Consultation

As a result of numerous discussions concerning the draft concept design plans, the recreation IAGs agreed that their successful implementation would require consultation with, and participation from, local county and municipal governments. During the last six months of 2004, APC representatives, acting as agents of the IAGs, met with eight state, county, and municipal governments to discuss the plans and the potential implementation of the draft concept design plans. Specifically these meetings were aimed at determining the local governments' interest in the facility improvements and its ability to provide policing, litter removal, and other services. APC continues to work to develop partnerships that will lead to improved recreations facilities benefiting the local communities surrounding the developments.

Relicensing Website

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ATTACHMENT A

List of Relicensing Team Meetings and Activities July 2004 – December 2004

WCRT/CCRT Meeting

Date	Agenda Items
December 8, 2004	Draft License Applications, Draft APEAs, SMPs

E6 Threatened and Endangered Species

Date	Agenda Items
July 22, 2004	Section 7
August 5, 2004	Section 7
September 2, 2004	Section 7
September 30, 2004	Section 7
October 14, 2004	Section 7
December 16, 2004	Section 7

E10 Project Release

Date	Agenda Items
July 22, 2004	Weiss Bypass Working Group

E13 Wildlife Management Plan

Date	Agenda Items
July 30, 2004	Wildlife Management Plan
November 4, 2004	Wildlife Management Plan

R7 Cultural Resources (Note: all meeting summaries were issued by FERC staff)

Date	Agenda Items
August 12, 2004	Cultural Resources
August 13, 2004	Cultural Resources
October 19, 2004	Cultural Resources
November 9, 2004	Cultural Resources

WR9 Federal Lands and Waters

Date	Agenda Items
July 1, 2004	USFS/FERC
August 19, 2004	USFS

ATTACHMENT B

List of Meetings between Alabama Power Company and state and local governments with regard to Recreation Facility Improvements July 2004 – December 2004

Date	Local Government
July 22, 2004	Alabama Dept. of Conservation and Natural Resources (ADCNR)
August 18, 2004	ADCNR, Birmingham Water Works Board
August 26, 2004	ADCNR
October 5, 2004	Cullman County
October 5, 2004	Shelby County
October 6, 2004	Elmore County
October 7, 2004	ADCNR
December 7, 2004	Winston County
December 9, 2004	City of Southside
December 9, 2004	City of Cedar Bluff
December 14, 2004	City of Cedar Bluff