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August 5, 2010

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 1st Street NE
Washington, DC 20426**Re: *Martin Hydroelectric Project (FERC No. 349) – Assertion of Coordination between FERC and CEW&SA as Required by Various Federal Statutes***

Dear Secretary Bose,

I represent Central Elmore Water Sewer Authority (CEW&SA) which is an Alabama Rural Water and Sewer Authority as organized and authorized by § 11-88, et seq., *Code of Alabama*, located in Elmore County, Alabama. CEW&SA primary purpose and mandate is to provide potable water services to various citizens, businesses and other entities, including other governmental entities, in Elmore County and other counties for the purpose of enhancing the safety, health, convenience and welfare of the citizens therein. Based on its statutory organization and mandate, CEW&SA is considered a local governmental entity.

CEW&SA is now asserting its authority to have the Federal Energy Regulatory Commission (FERC) coordinate with CEW&SA regarding any work FERC is now conducting on its federal licensing of Martin Hydroelectric Project (FERC No. 349). This invocation of coordination relates to any issues that this project either directly or indirectly impacts CEW&SA; its residential, commercial, agricultural and wholesale customers; the counties, cities and communities served by CEW&SA; and the short and long term implications from the various impacts. CEW&SA understands that FERC has been working on the licensing of the Martin Hydroelectric Project (FERC No. 349) for several years now. However, FERC has not coordinated any of its efforts with CEW&SA with regards to its licensing procedure as it may affect CEW&SA.

Coordination as applied to federal statutes and regulations related to this Federal project is defined specifically in Section 1712 of the Federal Land Policy Management Act (FLPMA). While FLPMA is directed to management of the federal lands by the Bureau of Land Management, it contains the only definition of “coordination” or “coordinate” that Congress has prescribed. CEW&SA is aware that once Congress has defined a term for agency management, it intends the same definition when it continues using the term in other management statutes without further definition.

Please note that the licensing of the Martin Hydroelectric Project (FERC No. 349) will have a significant effect on CEW&SA, Elmore County and surrounding counties, CEW&SA’s customers

and the communities it serves. CEW&SA expects coordination in the review, evaluation and further development of the licensing process being considered for the Martin Hydroelectric Project (FERC No. 349). It is clear that any licensing of the Martin Hydroelectric Project (FERC No. 349) will affect the water withdrawals and utilization of public waters for human consumption, business use, and safety utilization and further this project will have a tremendous impact on CEW&SA, Elmore County and surrounding counties, CEW&SA's customers and the many communities it serves.

CEW&SA is sure you are aware of the various federal statutory requirements of coordination with local governments regarding the development and processing of this specific federal project, including FERC's own regulations issued pursuant to the Federal Power Act. In addition, due to the nature of this action being considered a major federal action, coordination with local governmental entities is required by the National Environmental Policy Act (NEPA).

CEW&SA expects, through coordination, to focus on any adverse impact your plan for this project will have on access to public waters for human consumption and utilization, CEW&SA's and its customers economic stability, and the safety, health, convenience and welfare of Elmore County and surrounding counties, and CEW&SA's customers and the many communities it serves. While it is required, CEW&SA is certain FERC will embrace coordination with CEW&SA to seek to reach consistency between federal needs, the projects goals and CEW&SA's concerns which relate to the responsibilities of this local governmental entity to its customers and the other numerous citizens that rely on the services of CEW&SA.

It is the desire of CEW&SA to meet with you and/or others at FERC interested in the licensing of the Martin Hydroelectric Project (FERC No. 349) at a specially called CEW&SA Board of Directors' work session to be held at 10 a.m. on the third Tuesday of the month in August or September of this year. This meeting will be held at CEW&SA's South Maintenance Facility located at 6545 Redland Road, Wetumpka, Alabama. If these meeting dates are not available, please contact me for a mutually convenient date, but as soon as possible please as time is of the essence for this vital matter.

Our agenda for the meeting will include the following elements:

1. Status of the licensing plan for the Martin Hydroelectric Project (FERC No. 349).
2. Efforts being made in the planning process to ensure access to public waters for human consumption, business use, and safety utilization and the impacts to CEW&SA, Elmore County and surrounding counties, CEW&SA's customers and the many communities it serves including any efforts to protect the safety, health, convenience and welfare of the citizens to be affected.
3. Current timelines for completion of the various proposed studies and preparation and filing of a Draft Environmental Impact Statement (DEIS).
4. Plan for sharing the contents of the DEIS with CEW&SA, Elmore County, CEW&SA's customers and the citizens affected by the project so CEW&SA may review the work and include its analysis of the DEIS so that it may be viewed and considered by the public along with the DEIS. CEW&SA believes that FERC's regulations and the regulations pursuant to NEPA call for the opportunity to have CEW&SA's analysis, as a coordinating local governmental entity, included in any review by the public.
5. Status of any and all alternatives to the proposed action of licensing of Martin Hydroelectric Project (FERC No. 349) that have or should be considered that may affect CEW&SA, Elmore County and surrounding counties, CEW&SA's customers and the

many communities it serves including any efforts to protect the safety, health, convenience and welfare of the citizens to be affected.

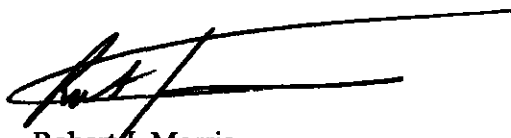
6. The evaluation of FERC of any water withdrawal issues as it may relate to the licensing of the Martin Hydroelectric Project (FERC No. 349) including, but not limited to, current practices, standard practices in the Southeast, economic considerations to include socioeconomic issues, environmental impacts to include the impact on the human environment, equitable treatment of water withdrawers, and the legality of sale of public water under the guise of misnomer concepts.

Please note that the coordination meeting will be government entity to government entity with no planned public input or comment. While it will be held in accordance to the Alabama Open Meetings Act, it will be restricted to government to government discussions between FERC and CEW&SA. CEW&SA will publish the required meeting notice when a date for the meeting has been set. The notice shall contain an explanation of the government to government relationship and the meeting will begin with an announcement of the said governmental relationship so that member of the public who may be in attendance will understand that the meeting is not designed as a "public input meeting."

CEW&SA reserves the right to expand or modify the agenda items presented above. Please feel free to bring with you any members of your staff you want. Also, if you would like to add to the coordination agenda please submit them to me and I will be glad to include said agenda items. CEW&SA very much looks forward to moving ahead with coordination in the licensing of the Martin Hydroelectric Project (FERC No. 349) and meeting with you in the near future.

I look forward to hearing from you soon.

Sincerely,



Robert J. Morris

RJM/bi

cc: Mr. Mark Pawlowski, FERC
Ms. Jennifer Adams, FERC
Mr. Charles D. Wagner, FERC
Mr. Charles D. McCrary, Alabama Power Company
Mr. James F. Crew, Alabama Power Company
Mr. Earl Reeves, Elmore County Commission
Mr. Patrick Pinkston, Esq., Elmore County Commission
Mr. Thomas C. Ingram, CEW&SA
Mr. H. Wade Johnson, CEW&SA
Mr. Kenneth Holt, CEW&SA
Mr. Robert L. Prince, Jr., CEW&SA