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May 5, 2008



Martin Stakeholder,

As discussed in our April 1-2, 2008 meetings, Alabama Power Company (APC) will file its Notice of Intent (NOI) to relicense the Martin Dam Project (FERC No. 349) and a Pre-Application Document (PAD) with the Federal Energy Regulatory Commission (FERC) on June 6, 2008. The NOI and PAD are prepared pursuant to FERC's regulations for the Integrated Licensing Process (ILP), which are contained in 18 C.F.R. Section 5. These regulations require that the PAD "include a plan and schedule for all pre-application activities that incorporates the time frames for pre-filing consultation, information gathering, and studies set forth in this part." In addition, the process plan and schedule must include a date and location for scoping meetings and site visit to the project. FERC recommends that the draft process plan and schedule be provided to the stakeholders.

To satisfy these regulations, APC has prepared the Draft Process Plan and Schedule for the Martin Dam Relicensing attached below. The proposed dates take into account FERC's timeline for the ILP milestones, federal holidays, and where necessary, eliminate the weekends (as some of the due dates within the process fall on a weekend day). For 2008, we have proposed exact dates; however, for the remaining years in the process we provide a weekly milestone date.

Please note that APC is working with FERC to establish a location and date for the Scoping meeting to be conducted pursuant to the National Environmental Policy Act. At present, we are proposing to use the Betty Carol Graham Center on September 10 or 11, 2008 for both a daytime and evening meeting. Information on a site visit to the project will be forthcoming.

If you have any comments, please provide them to me by May 12th in order to facilitate the inclusion of this Draft Process Plan and Schedule in the PAD filing with FERC. We appreciate your continued participation in the Martin relicensing effort.

Sincerely,

Jim

James F. Crew

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**Relicensing Process Plan & Schedule for the
Martin Dam Project (FERC No. 349)**

This Process Plan and Schedule was developed in accordance with the timeframes set forth in 18 CFR Part 5 based on a Notice of Intent (NOI) filing date of June 6, 2008. The Process Plan and Schedule outlines principle actions by the Federal Energy Regulatory Commission (FERC), Alabama Power Company (APC), and other participants during the Integrated Licensing Process for the relicensing of the Martin Dam Project through filing of the License Application in June 2011. Table 2.1-1 identifies the principle milestones in bold type.

In developing the Process Plan and Schedule, APC has included timeframes for Formal Dispute Resolution (18 CFR § 5.14) even though any study disputes that might arise could be resolved through informal dispute resolution. APC is coordinating with FERC to schedule the Issue Scoping Meetings and associated site visit for the Project, which are tentatively set for the week of September 8, 2008 . FERC will notice the final dates, times, and locations of the FERC Scoping Meetings and publish that information in local papers shortly after the filing of the NOI and PAD. APC will also post the Scoping Meeting information on the Martin relicensing website at <http://www.alabamapower.com/hydro/martin.asp> as soon as it is available from FERC.

Table 1. Integrated Licensing Process Plan and Schedule for the Martin Project.

Responsible Entity	Pre-License Application	Schedule Milestones	FERC Regulation
APC	Issue Identification Workshop	1/27/2007	
APC, Stakeholders	Pre-PAD meetings and Study Plan development	1/2007 – 4/2008	
APC	File Notice of Intent (NOI) and PAD	6/06/2008	5.5 & 5.6
APC	Request FERC Designate APC as Non-Federal Representative for Section 106 Consultation	6/06/2008	5.5(e)
APC	Request FERC Designate APC as Non-Federal Representative for ESA Consultation	6/06/2008	5.5(e)
APC	Issue Public Notice of NOI/PAD	6/06/2008	5.3(d)(2)
FERC	Hold Tribal Meetings (if any) (w/in 30 days of NOI)	7/7/08	5.7
FERC	Designate APC as Non-Federal Representative for Section 106 and ESA Consultation	8/07/2005	5.5(e)
FERC	Issue FERC Notice of Proceeding; Issue Scoping Document 1 (SD1) (w/in 60 days of NOI)	8/07/08	5.8(a)(c)
FERC	Hold Site Visit and Scoping Meetings (w/in 30 days of FERC Notice of Proceeding)	September 10-11/08	
Stakeholders	File Comments on PAD/SD1 and STUDY REQUESTS (w/in 60 days of FERC Notice of Proceeding)	10/7/08	5.9(a)(b)
FERC	Issue Scoping Document 2 (w/in 45 days of SD1 comments, if necessary)	11/21/08	5.1
APC	File Proposed Study Plan (w/in 45 days of PAD comments)	11/21/08	5.11(a)
APC	Hold Study Plan Meeting with Participants (w/in 30 days of Proposed Study Plan)	Week of 1/06/09 (due to holidays, we would propose to move this meeting to week of 1/06/09)	5.11(e)
Stakeholders	File Comments on Proposed Study Plan (w/in 90 days of APC's Proposed Study Plan)	Week of 2/16/09	5.12
APC	File Revised Study Plan (RSP) (w/in 30 days of Proposed Study Plan comments)	Week of 3/16/09	5.13(a)
Agencies	File Comments on RSP (w/in 15 days of RSP)	Week of 4/5/09	5.13(b)
FERC	Issue Study Plan Determination (SPD) (w/in 30 days of RSP)	Week of 5/4/09	5.13(c)
Agencies with mandatory conditioning authority	File any Study Disputes (w/in 20 days of SPD)	Week of 5/25/09	5.14(a)
Dispute Resolution Panel	Dispute Resolution Panel Convenes (w/in 20 days of dispute) [NOTE: This step and the subsequent four steps in the process will occur only if formal study plan dispute resolution is necessary]	Week of 6/8/09	5.14(d)
APC	File Comments and Information Regarding Dispute (w/in 25 days of dispute)	Week of 6/29/09	5.14(i)
Dispute Resolution Panel	Dispute Resolution Panel Technical Conference	Week of 7/13/09	5.14(j)

Dispute Resolution Panel	Issue Dispute Recommendations (w/in 50 days of dispute)	Week of 7/27/09	5.14(k)
FERC	Issue Director's Study Dispute Determination (w/in 70 days of dispute)	Week of 8/17/09	5.14(l)
APC	First Study Season	Spring-Summer, Fall 2009	5.15
APC	File Initial Study Report (w/in 1 year of SPD)	Week of 11/16/09	5.15(c)(1)
APC	Hold Initial Study Report Meeting (w/in 15 days of Initial Study Report)	Week of 11/30/09	5.15(c)(2)
APC	File Initial Study Report Meeting Summary/Changes to Study Plan (w/in 15 days of Initial Study Report Meeting)	Week of 12/14/2009	5.15(c)(3)
Stakeholders	File Any Study Plan Disputes/Amendment Requests (w/in 30 days of Initial Study Report Meeting Summary)	Week of 1/18/10	5.15(c)(4)
Participants	File Responses to any Study Plan Disputes/Amendment Requests (w/in 30 days of any Disputes/Amendment Requests)	2/15/2010	5.15(c)(5)
FERC	Issue Director's Determination on any Study Plan Disputes/Amendment Requests (w/in 30 days of Responses)	3/15/2010	5.15(c)(6)
APC	Second Study Season	Spring, Summer Fall 2010	5.15
APC	File Updated Study Report and Notice of Intent to File a Draft License Application (DLA) if applicable (w/in 2 years of SPD)	Week of 11/8/2010	5.15(f) & 5.16(c)
APC	Hold Updated Study Report Meeting (w/in 15 days of Updated Study Report)	Week of 11/29/2010	5.15(f)
APC	File Updated Study Report Meeting Summary/Changes to Study Plan (w/in 15 days of Updated Study Report Meeting)	Week of 12/13/2010	5.15(f)
Stakeholders	File any Study Plan Disputes/Amendment Requests (w/in 30 days of Updated Study Report Meeting Summary)	Week of 1/3/2011	5.15(f)
APC	File Responses to any Study Plan Disputes/Amendment Requests (w/in 30 days of any Disputes/Amendment Requests)	Week of 1/31/2011	5.15(f)
FERC	Issue Director's Determination on any Study Plan Disputes/Amendment Requests (w/in 30 days of Responses)	Week of 2/28/2011	5.15(f)
APC	File Draft License Application (DLA), draft Biological Assessment (if any), and draft Historic Properties Management Plan (if any) (no later than 150 days prior to Final License Application)	Week of 12/10/2010	5.16(a)(b)
Stakeholders	File Comments on DLA (w/in 90 days of DLA)	Week of 3/10/2011	5.16(e)
APC	File Final License Application	6/7/2011	5.17(a)