

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426
March 27, 2007

OFFICE OF ENERGY PROJECTS

Project No. 2197-073 – North Carolina
Yadkin Hydroelectric Project
Alcoa Power Generating, Inc.

Mr. Gene Ellis, Licensing and Property Manager
Alcoa Power Generating, Inc., Yadkin Division
P.O. Box 576, NC Highway 740
Badin, NC 28009-0576

Reference: Additional Information Request

Dear Mr. Ellis:

On September 14, 2006 and November 22, 2006 we issued requests for additional information for the Yadkin Project FERC Project, No. 2197, based on our review of the license application filed with the Federal Energy Regulatory Commission (FERC or Commission) on April 25, 2006. As a result of scoping meetings and a further review of the license application, we are requesting that you submit the additional information specified in the enclosed Schedule A to assist us in our analysis of the project. Under Section 4.32 (g) of the Commission's regulations, please provide the requested information in the enclosed Schedule A within 30 days from the date of this letter.

If the required information requested in Schedule A causes any other part of the license application to be inaccurate, please revise that part and refile it by the due date. The nature of the information requested will not delay our schedule for processing the license application. Please be aware that further requests for additional information may be sent to you before final action is taken by the Commission on your license application.

When you file the requested information with the Commission, please provide a complete copy of the information to all parties on the service list.

Please file an original and 8 copies of the above information with: Philis J. Posey, Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC

20426. The first page of the response should clearly show the project number P-2197-073. Your response may be filed electronically via the Internet in lieu of paper. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site (<http://www.ferc.gov>) under the "e-Filing" link. The Commission strongly encourages electronic filings. For assistance, contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-(866)-208-3676, or for TTY, (202)-502-8659.

Please contact Mr. Stephen Bowler at (202) 502-6861 or Stephen.bowler@ferc.gov or Mr. Lee Emery at (202) 502-8379 or lee.emery@ferc.gov if you have any questions concerning this request.

Sincerely,

Mark Pawlowski, Chief
Hydro East Branch 2

Enclosure: Schedule A

Cc: Service List
Public Files

SCHEDULE A

ADDITIONAL INFORMATION REQUEST YADKIN HYDROELECTRIC PROJECT P-2197-073

Please file within 30 days from the date of this letter the following additional information. When you file this information with the Commission, you should also provide exact copies of the filings with the agencies that you consulted during the preparation of your license application.

1. Under the terms of the Agreement in Principle, Alcoa Power Generating, Inc. (Alcoa Generating) has agreed to maintain High Rock Lake within four feet (ft) of full pond level (not below Elevation (El). 619.9 ft. US Geological Survey datum) from April 1 to October 31 of each year and within ten ft (not below El. 613.9 ft.) from November 1 to March 31 of each year.

During scoping meetings held in Lexington and Albemarle, North Carolina on January 23-25, 2007, two alternative scenarios for operating High Rock reservoir were presented by commenters that included: (1) maintaining water levels in the reservoir within three feet of full pond from April 1 to October 31 of each year and within six feet of full pond from November 1 to March 31 of each year; and (2) maintaining water levels within four feet of full pond from April 1 to October 31 of each year and within six feet of full pond from November 1 to March 31 of each year.

For each of the project's developments, please estimate the loss or gain in average annual generation (peak, shoulder, and off-peak, where applicable) and its corresponding value when compared to project's current average generation if the project were to be operated within the constraints explained above. Also, please estimate the outflow from Falls development and any loss or gain in generation that would occur at each of Yadkin-Pee Dee developments under the same scenario explained above.

2. In your December 13, 2006 response to AIR #20, Appendix F-1 delineated the current project boundary and an "approximate limit" of each facility. The project boundary did not include these recreation facilities. According to 18 CFR § 4.41(f)(7)(vii)(D) and § 4.41(h)(2), the project boundary must enclose lands available for project purposes (i.e. recreation). Please revise your Exhibit G maps and the detailed maps attached as Appendix F-1 from the AIR responses to reflect these changes.