UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Alcoa Power Generating Inc

Project No. 2197-000

NOTICE OF AUTHORIZATION FOR CONTINUED PROJECT OPERATION

(May 2, 2008)

On March 27, 2003, Alcoa Power Generating Inc., licensee for the Yadkin Hydroelectric Project, filed an application for a new or subsequent license pursuant to the Federal Power Act (FPA) and the Commission's regulations thereunder. The Yadkin Hydroelectric Project is located on the Yadkin River in Montgomery, Stanly, Davidson, Rowan, and Davie Counties, North Carolina.

The license for Project No. 2197 was issued for a period ending April 30, 2008. Section 15(a)(1) of the FPA, 16 U.S.C. 808(a)(1), requires the Commission, at the expiration of a license term, to issue from year-to-year an annual license to the then licensee under the terms and conditions of the prior license until a new license is issued, or the project is otherwise disposed of as provided in section 15 or any other applicable section of the FPA. If the project's prior license waived the applicability of section 15 of the FPA, then, based on section 9(b) of the Administrative Procedure Act, 5 U.S.C. 558(c), and as set forth at 18 CFR 16.21(a), if the licensee of such project has filed an application for a subsequent license, the licensee may continue to operate the project in accordance with the terms and conditions of the license after the minor or minor part license expires, until the Commission acts on its application. If the licensee of such a project has not filed an application for a subsequent license, then it may be required, pursuant to 18 CFR 16.21(b), to continue project operations until the Commission issues someone else a license for the project or otherwise orders disposition of the project.

If the project is subject to section 15 of the FPA, notice is hereby given that an annual license for Project No. 2197 is issued to Alcoa Power Generating Inc., for a period effective May 1, 2008 through April 30, 2009, or until the issuance of a new license for the project or other disposition under the FPA, whichever comes first. If issuance of a new license (or other disposition) does not take place on or before April 30, 2009, notice is hereby given that, pursuant to 18 CFR 16.18(c), an annual license under section 15(a)(1) of the FPA is renewed automatically without further order or notice by the Commission, unless the Commission orders otherwise.

If the project is not subject to Section 15 of the FPA, notice is hereby given that Alcoa Power Generating Inc., is authorized to continue operation of the Yadkin

Hydroelectric Project until such time as the Commission acts on its application for a subsequent license.

Kimberly D. Bose, Secretary.