FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426 October 18, 2007

OFFICE OF ENERGY PROJECTS

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

David R. Poe D. Randall Benn Gregory S. Wagner Dewey & LeBouef LLP 1101 New York Avenue, N.W., Suite 1100 Washington, D.C. 2005

Subject: Alcoa Request For Additional Information From The City Of Salisbury

Dear Messrs. Poe, Benn, and Wagner:

We have reviewed your filing of October 5, 2007, seeking additional information from the City of Salisbury, North Carolina (Salisbury).

On February 26, 2007, Salisbury filed extensive information on their modeling assumptions, data sources, and results. Alcoa Generating responded to Salisbury's filing on March 28, 2007, and also responded on June 25, 2007, to Salisbury's rebuttal filed on May 14, 2007. Alcoa Generating's June 25, 2007 filing indicates that Alcoa Generating is in possession of Salisbury's HEC-6T model data sets and was successful in producing results that are essentially the same as Salisbury's results.

Since Salisbury's February 26, 2007 filing, Alcoa Generating has had ample opportunity to review and comment on the submissions by Salisbury and provide new modeling or arguments supporting Alcoa Generating's position.

The draft environmental impact statement (draft EIS) for the Yadkin Hydroelectric Project was issued on September 28, 2007. In the draft EIS, staff addresses sediment deposition in High Rock Lake. In its analysis, staff evaluated information submitted by Alcoa Power Generating Inc (Alcoa Generating), and 2

Salisbury. This information is in the public record and cited in sections 3.3, 3.4 and Appendix A of the draft EIS.

We conclude that the information in the draft EIS and public record is sufficient for Alcoa Generating to provide meaningful comment on staff's analysis of sediment deposition in High Rock Lake. Please be advised that comments on the DEIS are due December 8, 2007.

If you have questions, please contact Stephen Bowler at 202 502-6861.

Sincerely,

J. Mark Robinson Director Office of Energy Projects