

# The Charlotte Observer

Posted on Sat, May. 15, 2004

## Duke relicensing may affect shoreline rules

Coalition wants less development along Catawba River, lakes

BRUCE HENDERSON

Staff Writer

Duke Power's renewal of its hydropower license for the Catawba River isn't just about moving water through dams, a Charlotte conference showed Friday.

It's also about the hundreds of miles of land that lines Duke's 11 reservoirs.

The government agencies and interest groups negotiating with Duke over its new license see a once-in-decades chance to protect undeveloped shoreline, improve recreation and save wildlife habitat.

An agreement signed this week in Tennessee offered an example of what's possible in such settlements.

Alcoa Inc. granted easements barring development on 9,700 acres of mountain land near Great Smoky Mountains National Park, paving the way to relicense its four dams in the Little Tennessee River basin of Tennessee and Western North Carolina.

Alcoa also will spend \$12 million to improve water quality and recreation.

Negotiated agreements with New England utilities have protected more than 40,000 acres of shoreline in recent years, a hydro expert said Friday.

It's far too early to tell what will come out of the Catawba relicensing.

Both sides hope to send a negotiated settlement to the Federal Energy Regulatory Commission, which issues hydro licenses, in 2006. The license Duke was awarded in 1958 expires in 2008.

Many of the 42 agencies and groups that take part in the Catawba-Wateree Relicensing Coalition, which hosted Friday's conference, say Duke's Catawba shoreline plan allows too much development. They're also concerned about effects on the river and lakes from land uses well off the water.

Studies that will be the basis for Duke's new license are under way, under the scrutiny of public advisory committees. The coalition will do some work

independently.

"There's nothing like this -- this is big, and it's heavily developed," speaker Andrew Fahlund, a hydro specialist with the advocacy group American Rivers, said of the 220-mile Catawba chain of reservoirs.

Federal law says regulators have to give recreation, wildlife habitat and environmental preservation "equal consideration" to Duke's need to make electricity.

Duke could expand the regulated boundaries of its hydro project, which now cover the water but end at the high-water line. It's also possible the utility could agree or be forced to buy additional land to satisfy federal regulators.

Utilities with existing hydro licenses have to analyze the costs of providing a 200-foot buffer around all or part of their lakes, said speaker Kenneth Kimball, a relicensing expert with the Appalachian Mountain Club. The club has been active in hydro relicensing in New England.

It's unclear what that requirement means to Duke, which decades ago transferred most of its shoreline land to Crescent Resources, now a fellow Duke Energy unit.

Groups seeking concessions from Duke will have to offer convincing proof that the measures are needed and worth the costs, the hydro experts said Friday. They will also have to hope FERC agrees with interpretations of the sometimes-murky federal law that governs hydro licensing.

Duke will weigh the costs of settlement terms, said spokesman Rick Rhodes, against its obligations to electric customers and stockholders.

---

*Bruce Henderson: (704) 358-5051; [bhenderson@charlotteobserver.com](mailto:bhenderson@charlotteobserver.com).*