UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Parr Hydroelectric Project

FERC Project No. 1894

APPLICATION FOR NEW LICENSE FOR A MAJOR WATER POWER PROJECT EXISTING DAM

INITIAL STATEMENT (Pursuant to 18 C.F.R. §4.51)

- 1. South Carolina Electric & Gas Company (hereinafter the "Applicant") applies to the Federal Energy Regulatory Commission (hereinafter "FERC" or "Commission") for a New License for the Parr Hydroelectric Project ("Project"),
- 2. The location of the Project is:

State: South Carolina

County: Fairfield and Newberry

Township or nearby Towns: Town of Jenkinsville

Stream or other body of water: Broad River

3. The exact name and business address of the Applicant are:

South Carolina Electric & Gas Company 220 Operation Way Mail Code A221 Cayce, SC 29033-3701

The exact name, business address, and telephone number of each person authorized to act as agent for the Applicant in this application are:

Mr. James Landreth
Vice President
Fossil & Hydro Operations
South Carolina Electric & Gas Company
220 Operation Way
Mail Code A221
Cayce, SC 29033-3701

Telephone: 803.217.7224

Mr. William R. Argentieri, P.E. Manager of Civil Engineering South Carolina Electric & Gas Company 220 Operation Way Mail Code A221 Cayce, SC 29033-3701 Telephone: 803.217.9162

Mr. Raymond R. Ammarell
Manager of Dam Safety and Emergency Response
South Carolina Electric & Gas Company
220 Operation Way
Mail Code A221
Cayce, SC 29033-3701
Telephone: 803.217.7322

- 4. The Applicant is a domestic corporation organized under the laws of the State of South Carolina and is not claiming preference under section 7(a) of the Federal Power Act.
- 5. (i) The statutory or regulatory requirements of the State of South Carolina, in which the project is located, which would, assuming jurisdiction and applicability, affect the Project as proposed with respect to bed and banks and the appropriation, diversion, and use of water for power purposes, and with respect to the right to engage in the business of developing, transmitting, and distributing power and in any other business necessary to accomplish the purposes of the license under the Federal Power Act are:
 - a. Water Quality Permit from the South Carolina Department of Health and Environmental Control to assure compliance with Section 401 of the Federal Clean Water Act.
 - (ii) The steps the Applicant has taken, or plans to take, to comply with each of the laws cited above, are:
 - a. Water Quality Permit: The Applicant will apply for the 401 Water Quality Certification as required by 18 C.F.R. §5.23(b).
- 6. The name and address of the owner of the Parr Hydroelectric Project is listed in Item 3 above.
- 7. The Project encompasses 162.61 acres of Federal lands owned by the U.S. Forest Service. The Applicant has an agreement with the U.S. Forest Service for use of their lands for the Project and pays annual charges for that use. Additional information on these lands is included in Exhibits A, E and G.
- 8. Currently, the 13.8/24.9-kV Parr distribution substation is located within the Project Boundary. However, since it is the point of connection to the Applicant's distribution system, and it is not operated or maintained by Project personnel, the Applicant is

- proposing to remove it from the Project Boundary. Additional information on this substation is included in Exhibit A.
- 9. The Applicant is requesting a 50 year license for several reasons including: 1) proposed generator upgrades estimated to be approximately \$18,000,000; 2) the potential costs associated with protection, mitigation, and enhancement measures (as described in Exhibit D) of approximately \$31,000,000; 3) lost generation of approximately \$140,000,000; 4) lost land sales of approximately \$136,000; 5) estimated cost to develop the new license application of approximately \$4,000,000; and 6) our extensive consultation and stakeholder support for a 50 year license.

ADDITIONAL GENERAL INFORMATION PURSUANT TO

18 C.F.R. § 4.32

GENERAL INFORMATION

- 1. South Carolina Electric & Gas Company has obtained and will maintain any proprietary rights necessary to construct, operate, or maintain the Parr Hydroelectric Project (FERC No. 1894) (Project).
- 2. Identify (providing names and addresses):
 - (i) The County in which any part of the Project, and any Federal facilities that would be used by the Project, would be located: The Project is located within Newberry and Fairfield counties, South Carolina and encompasses U.S. Forest Service lands. Their addresses are as follows:

Wayne Adams
Newberry County Administrator
1309 College Street
PO Box 156
Newberry, SC 29108

Jason C. Taylor Fairfield County Administrator 350 Columbia Road PO Drawer 60 Winnsboro, SC 29180

Mary Maercklein District Ranger U.S. Forest Service Enoree Ranger District 20 Work Center Road Whitmire, SC 29178

- (ii) Every city, town, or similar political subdivision:
 - (a) In which any part of the Project is or is to be located and any Federal facility that is or is to be used by the Project is located:

Mayor Gregrey Ginyard Town of Jenkinsville PO Box 40 Jenkinsville, SC 29065-0040

(b) That has a population of 5,000 or more people and is located within 15 miles of the existing or proposed Project:

Mayor Foster Senn City of Newberry PO Box 538 Newberry, SC 29108

- (iii) There are no irrigation districts, drainage districts, or similar special purpose political subdivisions affected by the Project.
- (iv) There are no other political subdivisions in the general area of the Project that would likely be interested in, or affected by, the application.
- (v) All Indian Tribes that may be affected by the Project:

Native American tribes listed below may or may not be present in the immediate Project vicinity but may have tribal interests and potential concern for traditional cultural resources, sacred sites and cultural hunting and gathering areas in the Project vicinity:

Dr. Wenonah G. Haire Catawba Indian Nation Tribal Historic Preservation Office 1536 Tom Steven Road Rock Hill, SC 29730

Mr. Bill John Baker, Principal Chief Eastern Band of Cherokee Indians PO Box 948 Tahlequah, OK 74454

Joe Bunch, Chief United Keetoowah Band of Cherokee Indians in Oklahoma P.O. Box 746 Tahlequah, OK 74465

- 3. The Applicant has, in accordance with 18 C.F.R. § 4.32(a)(3)(i), made a good-faith effort to notify the following entities of the filing of this application:
 - (a) Every property owner of record of any interest within the bounds of the Project;
 - (b) The entities listed in (2) above;
 - (c) Other governmental agencies that would likely be interested in or affected by the application.

- 4. In accordance with 18 C.F.R. §4.51, the following Exhibits are attached to and made part of this application¹:
 - Exhibit A Project Description
 - Exhibit B Project Operation
 - Exhibit C Construction History and Proposed Construction Schedule
 - Exhibit D Cost and Financing (filed as Privileged CUI//PRIV)
 - Exhibit E Environmental Report (Cultural Resource Reports filed as Privileged CUI//PRIV)
 - Exhibit F General Design Information (filed as Critical Energy Infrastructure Information CUI//CEII)
 - Exhibit G Project Maps
 - Exhibit H Description of Project Management and Need for Project Power (Information Required by 18 C.F.R. §16.10) (Exhibits F and H-2 are filed as Critical Energy Infrastructure Information CUI//CEII)

¹ Pursuant to C.F.R. § 388.112, Exhibit D is designated privileged status as that exhibit contains confidential financial information concerning present and future operations of the company, which information, if made public, could adversely affect the ability of SCE&G to participate in the competitive markets that characterize today's energy industry. Also, under the provisions of C.F.R. § 388.113, Exhibits F and H-2 are designated as containing Critical Energy Infrastructure Information, particularly with regard to project structures and the company's transmission lines, the incapacity or destruction of which would affect security, economic security, public health, or safety.

SUBSCRIPTION

This Application for License for the Parr Hydroelectric Project, FERC No. 1894, is executed in the State of South Carolina, County of Lexington, by James M. Landreth, Vice President, Fossil & Hydro Operations of South Carolina Electric & Gas Company, Mail Code A221, 220 Operation Way, Cayce, SC 29033-3701, who, being duly sworn, deposes and says that the contents of this application are true to the best of his/her knowledge or belief. The undersigned has signed this application this day of June, 2018.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

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Sames M. Landreth

Vice President – Fossil & Hydro Operations South Carolina Electric & Gas Company

VERIFICATION

Subscribed and sworn to before me, a Notary Public of the State of South Carolina, this 15 day
of June, 2018.
Jackee Rutherfork Scurry
(Notary Public) Rachel Rutherford Scurry

(My Commission Expires _____)/seal

CERTIFICATE OF SERVICE

I, Henry Mealing, Project Manager, Kleinschmidt Associates, hereby certify that I have this day served upon each person designated on the attached Distribution List notice of availability, and/or a copy, of the Parr Hydroelectric Project, FERC No. 1894, Final Application for License. Dated this <u>18</u> day of June, 2018.

By: Henry Mealing Project Manager

Kleinschmidt Associates