Committee on Resources-Index 12/18/09 9:15 AM

Committee on Resources

resources.committee@mail.house.gov

Home Press Gallery Subcommittees Issues Legislation Hearing Archives

Mr. Dayton L. Sherrouse Executive Director Augusta Canal Authority Augusta Canal National Heritage Area

Testimony
Before the Committee on Resources
Subcommittee on Water and Power

Hearing on Reviving Hydroelectric Power on the Savannah River: A Clean and Renewable Resource for Generations September 27, 2004

Chairman Calvert, Congressman Burns, Good morning and welcome to Augusta. I am Dayton Sherrouse, Executive Director of the Augusta Canal Authority and National Heritage Area. In that regard one of my responsibilities is to operate the hydroelectric generating station here at Enterprise Mill that is currently providing the electrical power for this complex we are meeting at today.

It is appropriate that you hold your hearing in Augusta, GA on the important role that hydropower plays as a part of our national energy policy. From 1845 until today the history of Augusta and hydropower are closely intertwined. In fact, many Augustans feel, myself included, that the construction of the Augusta Canal in 1845 to provide hydropower to fuel the industrial expansion of the City saved the City from extinction. Now in the 21st century, hydropower continues to be of critical importance to our city. Unfortunately, current federal regulatory requirements, mandates and prescriptions are making it very difficult to continue to operate our four existing hydropower facilities not to mention expanding or building new ones.

As I previously mentioned, the Augusta Canal was originally constructed in 1845 primarily for hydropower but also for transportation and a source of drinking water for the City. By 1895, twenty hydropower sites were operating on the first and second level of the Canal. Today only four remain in operation and the Federal Energy Regulatory Commission (FERC) separately licenses three of these. These four sites are:

- The Augusta Utilities Department-using hydro mechanical power at the current site since 1899.
- Sibley Textile Mill-generating hydroelectric power at its current site since 1881.
- Standard Textile-generating hydroelectric power at its current site since 1881. The Canal Authority owns the license but leases it to Standard Textile.
- Enterprise Mill-generating hydroelectric power at its current site since 1881. The Authority operates and manages this hydropower operation. It first generated hydro mechanical power starting in 1848.

Three of the above hydro power projects (the Augusta Utilities Department, Sibley Textile Mill and Enterprise Mill) are currently in the complicated and lengthy process of renewing their licenses with the Federal Energy Regulatory Commission (FERC). This process is not to provide any additional generation capacity but merely to continue their current operations. It is this process that I believe that warrants a review by this Committee. At this point we are merely trying to survive and maintain or hydropower operations in the face of unrealistic and unjustified requirements and mandates.

The Augusta Canal Authority and the City of Augusta manage and operate the Canal in a manner that balances the broad interests of water supply, fisheries, power production, natural resources, historic resources, cultural resources, conservation, recreation, and economic development. As a part of the current FERC application submitted in June 2003 to license the canal, the City has proposed a plan to manage the water resources in the Augusta Canal and the Savannah River in a manner that balances the interests of a broad range of users. Augusta's proposal is a new and significant development in the management of the Augusta Canal, developed in part to protect and enhance fisheries in the Augusta Shoals. No such flow

Committee on Resources-Index 12/18/09 9:15 AM

management is currently in place nor has one ever existed in the 150-year history of the Augusta Canal and the City's proposal is a considerable enhancement that will protect aquatic resources in the Augusta Shoals.

The interrelationships of the users are not simple and changes in the balance of one-interest affects the others. Maintaining adequate flow in the Canal to supply the mills is critical to the City in terms of its economic base, employment of it citizens, and to protect historic uses of the Canal. A healthy Savannah River maintained by adequate flows and the provision of upstream and downstream fish passage also positively influences the City's well being.

Augusta is in a position that requires its operation of the Canal to achieve a balance of resource use and protection. As previously stated, Augusta's proposal for the operation of the Canal strikes an appropriate balance among the various needs, resources and users. In contrast, it is our view that the federal and state agency recommendations to FERC in response to the City's application are overwhelmingly geared towards a perceived benefit to fisheries, at the expense of other uses and resources and are not balanced.

Unacceptable levels of curtailment of Canal flows and water uses would occur if the agencies' recommendations were to be implemented. The agency recommended flow management conditions and plans go well beyond that necessary to protect and enhance fisheries, and they seek near maximum habitat levels for selected species most of the time, a condition which does not occur in nature. If implemented, they would result in unacceptable impacts on other important resource areas such as socioeconomic viability of the Canal's independently-licensed Mills, municipal water supply, and preservation and enhancement of the Augusta Canal National Heritage Area / Augusta Canal Industrial District National Historic Landmark.

In closing, I would like to express my appreciation to you for your interest and inquiry into the issue of reviving hydroelectric power in the Savannah River Basin. Hopefully the results of H.R. 5044 will lead to revisions that will streamline the license process particularly for small generating stations such as the one we operate here. Presently we have to follow the same process as the huge megawatt generating stations and the process and the requirements are in my opinion designed to discourage rather than encourage the production of hydroelectric power. We have been involved in the relicensing process for over five years and still don't have a new license. Because we are a small generating facility it was difficult for the federal and state agencies to build a case for any negative impact from our operations so they convinced FERC to consolidate all the renewal applications so the effects of the hydroelectric operations could be considered in the aggregate or cumulative. The projects are independent and licensed separately so why should they not be treated independently and separately in the license renewal process. We feel that we have been good stewards of our resources and as representatives of the people of this region we are in the best position to determine the proper balance of uses of this resource.