

Alcoa and Stanly County Reach Agreement on Yadkin Project Relicensing

Deal strengthens cooperation and investment in economic development

STANLY COUNTY, NC (May 6, 2013) – Stanly County, N.C., and Alcoa Power Generating Inc. (APGI) today reached an agreement related to Alcoa's relicensing efforts of the Yadkin Hydroelectric Project. The Stanly County Commissioners voted 3-2 to approve the agreement, which resolves all issues between the County and Alcoa and will provide significant support for infrastructure, economic development and other county needs.

"This agreement provides significant investment in economic development and ensures that Stanly County will have long-term access to clean and affordable water, which is essential to our future growth," said Stanly County Commission Chairman Gene McIntyre. "We are ready to move forward in a positive direction with Alcoa that will benefit Stanly County residents for years to come."

"This agreement provides a clear and collaborative path forward that will support our efforts to bring new jobs to the Badin Business Park," said Kevin Anton, Alcoa's Chief Sustainability Officer. "This is a positive step for both Alcoa and Stanly County, and we appreciate the support of the County Commissioners and Representative Justin Burr in making this agreement a reality."

As part of the settlement:

- Alcoa will support Stanly County's request to the Federal Energy Regulatory Commission (FERC) for future water withdrawals from the Yadkin River, providing access of up to 30 million gallons of water per day from Alcoa's reservoirs. Alcoa also agreed to provide 20 acres plus right of way for a potential water treatment plant.
- Stanly County will support Alcoa's application for a new Water Quality Certificate from the North Carolina Department of Environment and Natural Resources (NCDENR) as well as its application for a 50 year FERC license.
- The organizations will work in partnership on the recruitment of jobs and economic development to Stanly County and the Badin Business Park.
- Alcoa will provide \$3 million to Stanly County, \$1 million of which will be solely for economic development purposes. Further, Alcoa will provide \$100,000 to Stanly County for each year that the term of the FERC license exceeds 40 years.

About Alcoa-Yadkin

For nearly a century, Alcoa-Yadkin has generated clean, renewable energy along the Yadkin River. The Yadkin Hydroelectric Project includes four dams and reservoirs – High Rock Lake, Tuckertown, Badin Lake and Falls – where North Carolinians enjoy boating, fishing, camping and other recreational opportunities. For more information, visit www.alcoa.com/yadkin.

About Stanly County

Stanly County, located in central North Carolina, just minutes east of Charlotte, offers an ideal natural climate, safe, healthy and active communities, and an economic climate where businesses can thrive. For more information, visit www.stanlycountync.gov.