

Tennessee Valley Authority, 400 West Summit Hill Drive, Knoxville, Tennessee 37902-1401

Kathryn J. Jackson, Ph.D.
Executive Vice President
River System Operations & Environment

April 14, 2003

Dr. Jeffrey Crow, State Historic Preservation Officer
Deputy Secretary of Archives and History
North Carolina Department of Cultural Resources
4610 Mail Service Center
Raleigh, North Carolina 27699-4610

Dear Dr. Crow:

**DESIGNATION OF THE LEAD FEDERAL AGENCY RESPONSIBLE FOR
COMPLIANCE WITH SECTION 106 OF THE NATIONAL HISTORIC
PRESERVATION ACT OF 1966 FOR FEDERAL-AID HIGHWAY PROJECTS WITHIN
THE TENNESSEE RIVER WATERSHED OF THE STATE OF NORTH CAROLINA**

The North Carolina Department of Transportation (NCDOT) occasionally proposes projects that are funded by Federal-Aid Highway Funds in areas requiring permits from the Tennessee Valley Authority (TVA). These projects are subject to compliance with Section 106 of the National Historic Preservation Act of 1966.

According to 36 CFR 800.2(a)(2):

"...If more than one Federal agency is involved in an undertaking, some or all [of] the agencies may designate a lead Federal agency, which shall identify the appropriate official to serve as the agency official who shall act on their behalf, fulfilling their collective responsibilities under section 106. Those Federal agencies that do not designate a lead Federal agency remain individually responsible for their compliance with this part."

Pursuant to the above provision, the FHWA (North Carolina Division) is hereby designated as the lead federal agency to fulfill the collective Federal responsibilities under Section 106 for undertakings in the state of North Carolina involving the FHWA and the TVA. TVA authorizes FHWA to conduct Section 106 coordination on its behalf when approvals under Section 26a of the TVA Act are the sole TVA action. For such actions, where the sole TVA action is Section 26a approval, the agencies also agree on the following:

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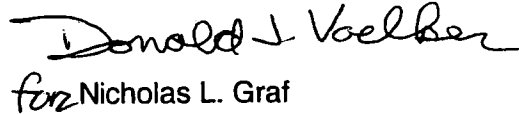
1. FHWA will copy TVA on Section 106 correspondence relating to undertakings in the Tennessee River Watershed (Hiwassee, Little Tennessee, French Broad, Nolichucky, and Watauga River watersheds).
2. Memoranda of Agreement prepared by FHWA under 36 CFR 800.6 will recognize in introductory text that TVA has been involved in Section 106 coordination and is being represented by FHWA.
3. TVA may object to its representation by FHWA at any time before the Section 106 process is complete by notifying the SHPO and FHWA. If such an objection is filed, TVA will independently comply with its obligations under Section 106.
4. When TVA land use approvals, TVA transmission line projects, or other TVA actions are involved in addition to Section 26a permits, the decision whether to designate a lead agency will be made on a case-by-case basis.

Agency contacts for the implementation of this agreement are Rob Ayers (919) 856-4330, extension 116, e-mail rob.ayers@fhwa.dot.gov, or J. Bennett Graham (865) 632-1583, e-mail jbgraham2@tva.gov.

Sincerely,



Kathryn A. Jackson
Executive Vice President
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Tennessee Valley Authority
400 West Summit Hill Drive
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for Nicholas L. Graf
Division Administrator
North Carolina Division
Federal Highway Administration
310 New Bern Avenue, Suite 410
Raleigh, North Carolina 27601

cc: Mr. Roy C. Shelton, Staff Engineer
Project Development and Environmental Analysis Branch
North Carolina Department of Transportation
1548 Mail Service Center
Raleigh, North Carolina 27699-1548