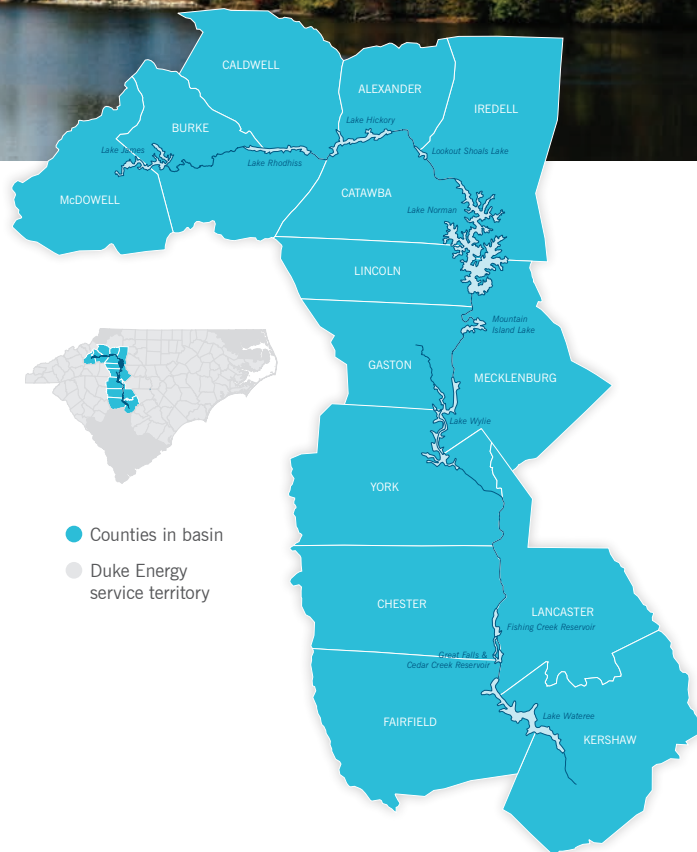




It's a New Day for the Catawba-Wateree Hydroelectric Project

The Federal Energy Regulatory Commission (FERC) issued a new operating license to Duke Energy effective Sept. 1, 2015, for the Catawba-Wateree Hydroelectric Project, which includes 13 hydropower stations and 11 reservoirs in North Carolina and South Carolina. The project provides drinking water for nearly 2 million people, supports energy generation and offers numerous recreation opportunities to residents and visitors in the Carolinas. The new license ensures the Catawba-Wateree River continues to support and sustain the community for the next 50 years.



What's Next

With the new license in hand, Duke Energy will begin to invest approximately \$100 million to implement many new benefits designed over a three-year period with input from approximately 160 community stakeholders. Receiving a 50-year license is a testament to the quality of the provisions and signifies the regional benefits are substantial. Benefits focus on three main areas:

- Operations – Changes at facilities will help improve water quality, enhance aquatic habitats and protect aquatic species.
- Land conveyances and financial contributions – Transfer of land and donations will preserve undeveloped land, support wildlife, preserve natural resources and offer other environmental benefits.
- Recreation – New and enhanced recreation amenities will be developed by Duke Energy or in partnership with state and local governments. Planned recreation amenities for each lake can be viewed at duke-energy.com/lakes/catawba-wateree-relicensing.asp under “Final Agreement & Lake Summaries.”

Some provisions have already been implemented, while others will be carried out in the coming months and years. More than half of the 89 new or enhanced public recreation areas will be completed within approximately five years and the rest within approximately 20 years.

(Implementation timeline on next page)



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Within 60 Days

Duke Energy voluntarily implemented these requirements before the new license was received.

- A new drought management protocol (Low Inflow Protocol) and regional advisory group (Catawba-Wateree Drought Management Advisory Group) to protect and preserve the water supply and environmental resources during drought periods
- A new regional organization, the Catawba-Wateree Water Management Group (CWWMG), was incorporated in 2007 to study and implement long-range strategies to continue to make the region's water supply more sustainable
- New seasonal normal operating ranges for each reservoir
- New continuous minimum flow releases into the Catawba River Bypassed Reach
- New scheduled recreation flow releases from Bridgewater (Lake James), Oxford (Lake Hickory), Wylie and Wateree hydro stations
- Higher around-the-clock flow releases at Bridgewater, Oxford, Lookout Shoals, Wylie and Wateree hydro stations to expand and protect aquatic habitats
- Increased aeration capabilities at Bridgewater, Rhodhiss and Oxford hydro stations to increase dissolved oxygen levels and support aquatic species
- \$13.1 million provided for land conservation, which has been used to preserve 5,371 acres to date



Within One Year*

- Duke Energy submits the Final Recreation Management Plan to FERC for approval of planned upgrades and amenities
- Enhancements to public information systems, in addition to already implemented online resources and automated phone system
- Contributions for cultural resources protection and enhancements



Within Five Years*

- Up to 55 of the 89 planned new or expanded public recreation areas will be completed
- Begin disbursing more than \$4 million in funding for partners, primarily local governments, to develop public recreational amenities
- Provide an additional \$6 million for land conservation
- Provide 2,729 acres in conveyances and easements for land conservation, public recreation and water quality protection
- New continuous minimum flow releases for the first time in more than 100 years and new scheduled recreation flow releases into the Great Falls Long Bypassed Reach and Great Falls Short Bypassed Reach
- New aerating units at Wylie and Wateree hydro stations for dissolved oxygen enhancement and continuous minimum flows to expand aquatic habitats



Within 10 Years*

- Modify the Lake Wateree Dam spillway to improve management of high-water events

Looking Ahead*

The remaining recreation developments will be completed within 20 years. Duke Energy will work closely with community stakeholders throughout the process to ensure the successful implementation of all projects, which will benefit the region for generations to come.

* All timelines are based on estimates for receiving FERC approval of the final Recreation Management Plan. Actual timelines may vary.