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CONTACT: MK Green  
Phone: 704/382-8356  
24-Hour: 704/382-8333

### **Catawba-Wateree Relicensing Process Heralded As A Success**

CHARLOTTE, N.C. – After more than three years of collaborative work, 82 percent of the eligible stakeholders in the Catawba-Wateree Relicensing effort have signed the Comprehensive Relicensing Agreement, Duke Energy announced today.

On Aug. 11, Duke Energy received the final signatures from stakeholders involved in the relicensing effort, with 70 out of the 85 eligible organizations and individuals endorsing this agreement, which will be sent to the Federal Energy Regulatory Commission (FERC) later this month along with the application for a new operating license.

This license will allow Duke Energy to continue operating 13 hydroelectric stations along the Catawba-Wateree River Basin for the next 40 to 50 years. The hydro stations are an important part of the power generation portfolio that Duke Energy relies on to meet the needs of more than 2 million electric customers in the Carolinas.

Since February 2003, over 160 representatives from more than 80 organizations have helped craft and evaluate the terms of Duke Energy's application for a new license. This team participated in over 300 meetings – logging nearly 58,000 hours and analyzing over 2,500 issues related to the river.

“This is overwhelmingly positive support,” said Jeff Lineberger, hydro licensing manager for Duke Energy. “This may be the single most significant community

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planning event that has occurred in this river basin and the results are going to have a very positive impact on the river and communities along the river for decades to come," he said.

Anglers and paddlers; biologists and business people; homeowners and industry participants; environmental agencies and developers; city and civic professionals; citizens and others have sacrificed their time and shared their expertise to develop sustainable plans for the river for the next generation," commented Ellen Ruff, president of Duke Energy's operations in the Carolinas. "We are extremely grateful to these dedicated individuals for their contributions that will allow our children and grandchildren to benefit from this wonderful natural resource," added Ruff.

The agreement also will make improvements that benefit more than 1.3 million people who depend on the river for drinking water, recreation and industrial uses.

Benefits include:

**Additional Recreational Opportunities:** New and enhanced public access areas will create more opportunities for canoeing, kayaking, fishing, swimming, camping and picnicking. Pre-scheduled water releases for recreational flows will create additional canoeing and kayaking opportunities.

**More Land Available for Recreational Use:** More than 2,500 acres of properties owned by Crescent Resources (part of Duke Energy) will be dedicated for public recreation and Crescent will offer state and local governments more than 3,400 additional acres at reduced prices. Duke Energy will also make \$9.3 million to \$12.3 million available to state agencies to purchase additional land for recreational uses (depending on the length of the new license granted by the FERC).

**More Information Available on the Lakes and River:** Reservoir levels (historical and near-term), water release times, generation schedules and maps to public

access areas will be enhanced as a result of this agreement. Signs in English, Spanish and international symbols will provide additional safety information.

**Lake Level Ranges:** Lake level ranges have been established to protect municipal, industrial and power generation water intakes, as well as recreation and property owner interests.

**Increased Aquatic Species Habitat:** Higher flow releases will substantially increase aquatic habitat and will reintroduce consistent water flows to some parts of the river for the first time in nearly 100 years.

**Water Quality:** Under the agreement, Duke Energy will install new equipment to enhance the quality of water released from hydroelectric plants. Water released from these plants will contain increased dissolved oxygen levels which are intended to improve water quality and fish habitat.

**Water Supply Management:** A new protocol will establish a basin-wide approach to reduce water use during drought situations. These conservation efforts apply to hydroelectric generation, water flows for recreation and public and industrial water system withdrawals. The goal is to manage the available water supply until rain returns reservoir water storage and groundwater to normal levels. Duke Energy and the Public Water System owners are also establishing a Water Management Group to jointly fund long-term initiatives that will improve water quantity and quality management across the basin.

**Organizations and individuals that signed the Comprehensive Relicensing Agreement include:** Alexander County, N.C.; American Whitewater; Area II Soil & Water Conservation Districts; Bowater Incorporated; Burke County, N.C.; Caldwell County, N.C.; Carolina Canoe Club; Catawba County, N.C.; Catawba Indian Nation; Catawba Indian Nation Tribal Historic Preservation Office; Catawba Lands Conservancy; Catawba Regional Council of Governments; Catawba Valley Heritage Alliance; Catawba-Wateree Relicensing Coalition; Centralina Council of

Governments; Chester Metropolitan District; Citizen Bo Cash; Citizen Frank Hawkins; Citizen Joe Zdenek; Citizen Merlin Perry; Citizen Shirley Greene; Citizen Tim Mead; City of Belmont, N.C.; City of Camden, S.C.; City of Charlotte, N.C.; City of Gastonia, N.C.; City of Hickory, N.C.; City of Morganton, N.C.; City of Mount Holly, N.C.; City of Rock Hill, S.C.; Crescent Resources Inc.; Duke Energy; Duke Power Company LLC; Foothills Conservancy; Gaston County, N.C.; Great Falls Hometown Assn.; Harbortowne Marina; International Paper; Iredell County, N.C.; Kershaw County Conservation District; Kershaw County, S.C.; Lake James Homeowners; Lake Wateree Assn.; Lake Wylie Marine Commission; Lancaster County Water & Sewer; Lincoln County, N.C.; Lugoff-Elgin Water Authority; McDowell County, N.C.; Mecklenburg County, N.C.; Mountain Island Lake Assn.; Mountain Island Lake Marine Commission; N.C. Department of Environment and Natural Resources (Division of Water Quality, Division of Water Resources, Division of Parks and Recreation, and Division of Forest Resources); N.C. Wildlife Federation; N.C. Wildlife Resources Commission; R and N Marina; S.C. Department of Archives and History; S.C. Department of Natural Resources; S.C. Department of Parks, Recreation and Tourism; S.C. Wildlife Federation; South Carolina Electric & Gas – Wateree Steam Plant; Springs Global Industries; Town of Davidson, N.C.; Town of Great Falls, S.C.; Town of Valdese, N.C.; Trout Unlimited; Union County, N.C.; Wateree Homeowners Assn.; Western Piedmont Council of Governments; York County Culture and Heritage Commission; and York County, S.C.

**Those not signing include:** American Rivers; Catawba Riverkeeper Foundation; Clean Water S.C.; Citizen Cynthia Wood; Citizen Don Privett; Citizen John Carter; Citizen Sarah Williams; Lake James Environmental Groups; S.C. Department of Health and Environmental Control; S.C. Coastal Conservation League; Town of Cornelius, N.C.; U.S. Bureau of Indian Affairs; U.S. Environmental Protection Agency; U.S. Fish and Wildlife Service; Western N.C. Alliance.

Duke Energy is a diversified energy company with a portfolio of natural gas and electric businesses, both regulated and unregulated, and an affiliated real estate company. Duke Energy supplies, delivers and processes energy for customers in the Americas, including 28,000 megawatts of regulated generating capacity in the United States. Duke Energy's Carolinas operations include a diverse mix of nuclear, coal-fired, natural gas and hydroelectric generation that provides 19,900 megawatts of safe, reliable and competitively priced electricity to more than 2.2 million electric customers in a 22,000 square mile service area of North Carolina and South Carolina. Headquartered in Charlotte, N.C., Duke Energy is a Fortune 500 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at: [www.duke-energy.com](http://www.duke-energy.com).

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