Resolving Catawba-Wateree Fish Passage Issues

Prepared for the

National Hydropower Association Southeast Regional Meeting

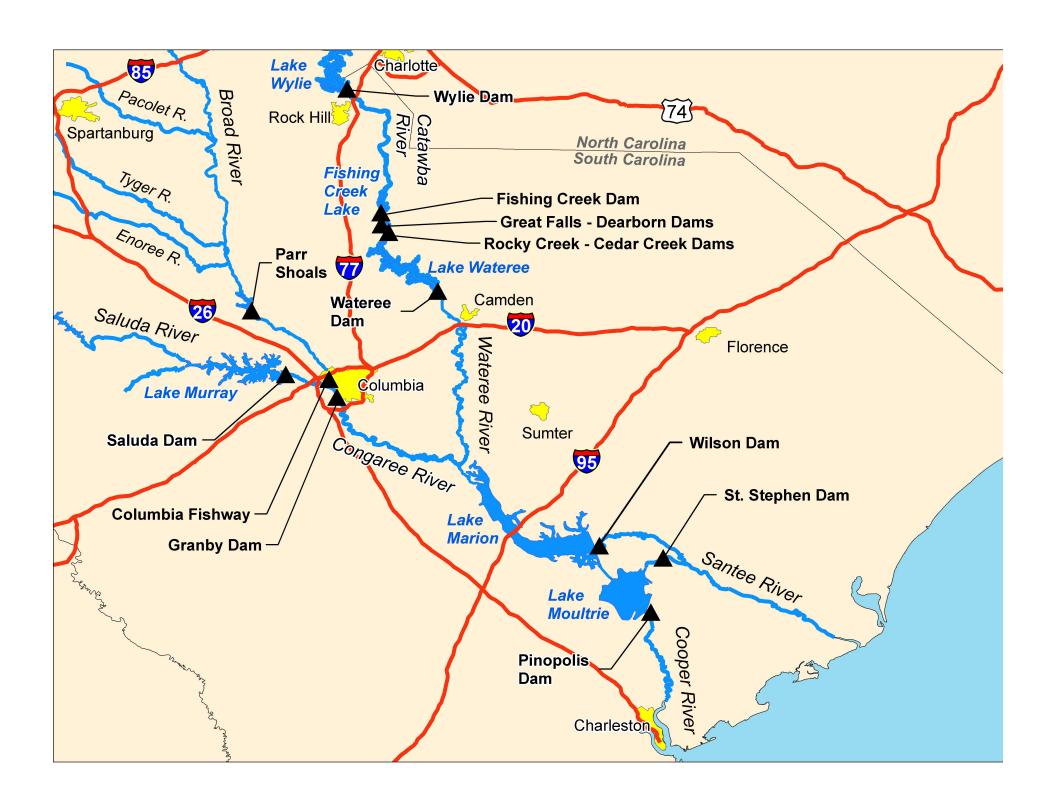
December 3, 2008

Santee Basin Cooperative Fish Passage Accord

 A cooperative agreement to restore diadromous fish (American shad, blueback herring, and American eels) in the Santee River Basin which includes the Catawba-Wateree River Basin

Parties

- United States Fish and Wildlife Service
- South Carolina Department of Natural Resources
- North Carolina Wildlife Resources Commission
- South Carolina Electric & Gas
- Duke Energy Carolinas
- With participation from
 - National Marine Fisheries Service
 - South Carolina Department of Health and Environmental Control
 - South Carolina Public Service Authority (Santee Cooper)



Chronology

- Utilities began developing a fish passage strategy in 2004
 - Extremely high cost of fish passage facilities
 - Inadequate diadromous fishery knowledge base
 - Complex river system, including 3 hydro projects
- Utilities introduced the Accord to Agency participants in November 2005
- Roadblocks
 - Agencies: Must construct passage facilities immediately
 - Utilities: No biological basis for facilities now
- November 2006: Agencies present alternatives to regulatory prescription process
 - Basin-wide effort involving utility and agency partners
 - No-Sooner-Than (NST) dates and bio-triggers in consideration of a 10-year Work Plan
 - Minimum flow releases in the C-W Comprehensive Relicensing Agreement (CRA) adequate
 - Four passage facilities still possible
- December 2007: USFWS offers new proposal
 - One trap & truck facility at Wateree Hydro for shad and herring in exchange for fixed facility date and larger Accord contribution
 - American eel passage as eels progress upstream
 - CRA flows adequate for the term of the New License
- May 2008: Accord Signed
- June 2008: Preliminary prescriptions/conditions filed by USFWS and NMFS

Work Plan

- Duration 10 years starting in 2008
 - Provision to negotiate Work Plan continuation after 10 years
 - Provisions extend for the life of the next Catawba-Wateree and Saluda FERC licenses
- Who Pays Utilities would jointly pay
 - Using savings from reduced/deferred passage facilities
- Who Does Work
 - Implemented by contractors, graduate students, agencies, and utilities
- What Kind of Work (throughout Santee Cooper River Basin)
 - Hatch and stock 1,000,000 American shad fry to "jump-start" returning shad populations
 - Monitoring adult shad movement patterns in Lakes Marion and Moultrie
 - Monitor juvenile shad movement in riverine sections
 - American eel migration studies
 - Monitor fish movement through the Pinopolis lock

Motivating Factors

Utilities' Perspective

- When, not if fish passage facilities prescribed
- Cooperative study partnership
- Verifying need, type, and timing of future fish passage activities
- Defer fish passage decisions during study period
- Accord serves as the basis for future fish passage prescriptions

FERC has limited influence

Avoid trial-type hearings

Duke Objectives

- Reduce risks and costs to Duke Energy
 - · All agencies signing on
 - A provision to renegotiate work plan continuation
 - Retains date certainty and some measure of biological need
 - Benefits the resource
 - Protect the C-W CRA from reopening and inconsistent requirements
- Lay groundwork in case the Accord is not successful
 - SC 401 Water Quality Certification process
 - Future potential trial-type hearing alternative