

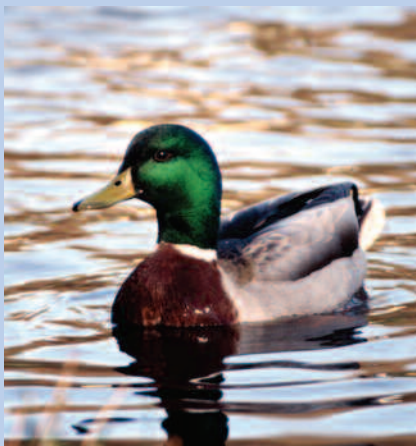


Catawba Currents

Updates on Duke Power Reservoirs and Relicensing for Fall 2005

Catawba Currents is designed to keep our neighbors along the Catawba-Wateree River updated on items of interest associated with Duke Power reservoirs and hydro relicensing. Please feel free to share this update with others that may be interested in receiving this electronic newsletter. If you are receiving this edition by hard copy and would like to be included on our electronic distribution, please go to Duke Power's hydro licensing Web site at www.catawbahydrolicensing.com and choose "contact us" to sign-up for future updates.

www.catawbahydrolicensing.com



THE ISLAND KEEPERS ON LAKE NORMAN

Since 1992, the Lake Norman Island Keepers have been working tirelessly to help keep Lake Norman clean. This dedicated group of 50+ volunteers picks up trash daily, weekly and monthly. There are currently 48 islands adopted by these volunteers and to date they have collected nearly 78,000 pounds of trash from Lake Norman. To get involved with this organization visit their Web site at www.islandkeepers.com.

We all owe this dedicated group of volunteers our gratitude for helping keep Lake Norman clean for us all to enjoy.

CATAWBA-WATEREE RELICENSING UPDATE – RECREATION USE AND NEEDS STUDY

The Catawba River provides exceptional recreational opportunities and is a key attraction for the Piedmont of North Carolina and South Carolina. As part of the Catawba-Wateree relicensing process, Duke Power conducted a year-long Recreation Use and Needs study as a way to adequately identify how the river and lakes are used today and how recreational uses could change in the future. A few key findings of the one-year study include:

- Over 10 million people visited the 11 Duke Power Catawba River lakes from March 2004 to March 2005;
- Fifty percent of those visitors went to Lake Norman or Lake Wylie;
- The primary recreation uses of the lakes are motor boating, boat fishing, pier/bank fishing and swimming;
- On a typical peak season weekend, 2,000 boats use the river and lakes for recreation;
- On peak holidays such as the Fourth of July weekend, 3,000 boats visited the river and lakes; and
- During the one-year study, visitors to the river and lakes provided over \$41 million in economic benefits. These dollars represent expenses such as food and beverages, lodging, entrance fees, boat rental and storage, gasoline and other related services, and include sales tax and gas tax revenues.

River and lake users offered the following observations and/or interests:

- Most visitors felt safe, but some had concerns regarding boating safety, specifically uncontrolled operation of personal watercraft and excessive boat speeds.
- More land-based recreational amenities need to be developed such as bank and pier fishing, trails, swimming areas and wildlife viewing areas.
- There were also interests in "non-motorized" boating opportunities such as canoeing and kayaking on both the lakes and the river reaches between the dams.



This information is being used by the relicensing stakeholder teams to identify potential recreational enhancements on the Catawba River. An "ad hoc" recreation committee made up of stakeholders with specific recreation interests, is developing plans for future recreation enhancements.

As always, please stay safe as you enjoy this wonderful recreational resource. This Recreation Use and Needs study and additional recreation information can be found at www.catawbahydrolicensing.com.

HABITAT ENHANCEMENT PROGRAM UPDATE

The Catawba-Wateree Habitat Enhancement Program was created to provide money to build, create and/or protect fish and wildlife habitat within the Catawba River basin. After 40 weeks of collecting fees from private and commercial pier applicants, the habitat enhancement fund has generated approximately **\$112,000**. Approximately \$89,000 has been collected in North Carolina and \$23,000 in South Carolina. Money collected in North Carolina will be used for habitat improvements in North Carolina and money collected in South Carolina will be used for habitat improvements in South Carolina.

In addition to fees generated by the habitat enhancement fund, Duke Power will contribute \$80,000 per state per year for the first five years of the program.

Over the next few months, technical review committees and lake advisory councils will be established to oversee the distribution of funds generated from the program. It is anticipated that funds will be awarded to approved projects during mid to late 2006.





BIG SWEEP/RIVER SWEEP CLOSEOUT – THANK YOU ALL WHO VOLUNTEERED!

Eager volunteers and their front-end loaders, tractors, trash cans, trash bags and boats made Big Sweep/River Sweep 2005 a success!

The state-sponsored Big Sweep (NC) and River Sweep (SC) has been ongoing for many years and Duke Power is a familiar participant. This year Duke Power teammates coordinated clean-up events at 17 sites in North Carolina and South Carolina. The leadership and dedication of local community groups, individuals, Duke Power employees and other friends of the river made each event safe, enjoyable and downright fun.

Over 700 Duke Power employees and partners turned out for different clean-up events from



September 10 – October 8, 2005. These participants volunteered their time and energy to pick-up trash and make our waterways cleaner and safer to use by successfully removing over 30,000 pounds of trash from the lakes and river.

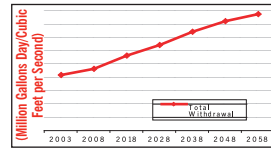
Duke Power

extends our gratitude to each of you who participated in these events and hopes to see even more faces next year. Thank you for safe and successful Big Sweep and River Sweep events.

WATER CONSERVATION – WE MUST ALL DO OUR PART TO PROTECT THE WATER SUPPLY

Did you know that September 2005 was the driest September since the early 1950s? Do you remember 1998–2002 when the worst drought on record in the recorded history of the Catawba River basin occurred? Can you imagine not having water when you need it?

As part of the hydro project relicensing process, a water supply study has been conducted to document current and future water demands. The water study



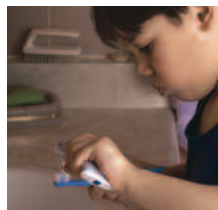
projects human demand (including water needs for industrial processing, irrigation, electric generation and public water supplies) will double over the next 50 years. Other hydro relicensing studies indicate greater needs for flow releases from Duke Power's lakes to support recreation and aquatic (fish) species downstream. Together, these study findings identify an increased risk of running out of water in the future if severe droughts return.

All of us who use water in our homes to drink, clean laundry, flush the toilet, water the lawn, wash cars, etc., need to think of how we can conserve water all the time and not only during times of drought.

Listed below are a few of the tips provided by Charlotte Mecklenburg Utilities on conserving water at your home:

Indoor Water Use Tips

- Find and fix all leaks. A faucet drip of 2 tablespoons a minute adds up to 105 gallons a week of water wasted.
- Take shorter showers. If everyone in the United States shortened their shower by one minute every day, we could save 85 billion gallons per year.
- Install water-saving devices like low flow showerheads and faucet aerators.
- Run dishwashers and clothes washers with a full load only.
- Don't leave the water running when brushing your teeth, washing your hands, shaving or doing dishes.
- Use the wastebasket, not the toilet to dispose of trash.
- Consider buying a low-flush toilet, it uses only 1.6 gallons per flush.



For additional information on water saving tips for your home, please visit www.cmutilities.com. Saving water at your house helps save the water supply now and in the future.



AQUATIC WEED RESEARCH PROJECT ON LOOKOUT SHOALS LAKE UPDATE

What do you get when you cross a graduate student, a sterile grass carp and Parrotfeather?

That's right – a research project! For the last six months, Brad Garner, a graduate student from North Carolina State University, has been conducting a research project on Lookout Shoals Lake to observe the effectiveness of sterile grass carp on managing Parrotfeather. Parrotfeather is an invasive aquatic weed that has the potential to spread rapidly. As the plant grows, it can cause restrictions on public water intakes and pose recreational concerns for users of the lake.

Originally, the thought was sterile grass carp would not be as effective managing Parrotfeather as these fish are “managing” (eating) hydrilla, another nuisance aquatic weed. “However, initial observations indicate the sterile grass carp are very effective at managing Parrotfeather,” said Mr. Garner.

“The study is being conducted using a control area. The control area contains Parrotfeather in an underwater pin. Parrotfeather is allowed to grow and the plants are healthy and robust, while outside the pin the weed is virtually non-existent,” said Garner.

The project will continue for the next 18 months. In addition to the study of Parrotfeather management, Mr. Garner is also studying the effects sterile grass carp have on the sport fishery.

Did you know?

Duke Power's mosquito control program has completed their 83rd consecutive season. In conjunction with spraying, our mosquito crews also remove trash and debris that can create mosquito breeding habitat. This year the Duke Power mosquito crews collected 44,600 pounds of trash during their 2005 spraying season.

For more information and updates on hydro relicensing and lake management news, visit www.catawbahydrolicensing.com or contact Duke Power at catawbahydrolicensing@duke-energy.com.

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