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| STATE OF NORTH CAROLINA |) | |
| |) | |
| COUNTIES OF ALEXANDER, BURKE, |) | PUBLIC ACCESS AREA |
| CALDWELL, CATAWBA, FORSYTH, |) | AGREEMENT |
| GASTON, IREDELL, LINCOLN, |) | |
| MCDOWELL, MECKLENBURG, AND |) | |
| STOKES |) | |

THIS PUBLIC ACCESS AREA AGREEMENT (Agreement) is made this ___ day of _____ 2000, between DUKE POWER, A DIVISION OF DUKE ENERGY CORPORATION, a North Carolina Corporation (“Grantor”), and the North Carolina Wildlife Resources Commission (NCWRC), an Agency of the State of North Carolina (“Grantee”);

WITNESSETH:

WHEREAS, Grantor has been licensed by the Federal Energy Regulatory Commission (FERC), to operate the Catawba-Wateree Project (License Number 2232), which impounds the waters of the Catawba River, including Lake James, Lake Rhodhiss, Lake Hickory, Lookout Shoals Lake, Lake Norman, Mountain Island Lake and Lake Wylie in North Carolina; and,

WHEREAS, Grantor owns and operates Belews Lake, which is an unlicensed industrial cooling pond on Belews Creek at the intersection of Stokes, Rockingham, Forsyth and Guilford Counties; and,

WHEREAS, Grantor owns the tracts of land, here-in-after referred to as “Public Access Areas”, the names, acreage and boundaries of which are shown in Exhibits A and B attached hereto, adjacent to the aforementioned lakes which provide access for public recreation purposes; and,

WHEREAS, Grantor desires to lease a portion of the Public Access Areas shown in Exhibits A and B, to state and local governmental agencies, commercial vendors or other interested parties, through its “Access Area Improvement Initiative”, which is designed to ensure the development and maintenance of a variety of high quality recreational opportunities for the general public; and,

WHEREAS, the Grantee agrees to: (1) enforce the laws of the State of North Carolina for which it is responsible and its own regulations on all parts of the Public Access Areas which are the subject of this Agreement; and (2) operate and maintain the Public Access Areas shown on Exhibits A and B, except for those portions of the Public Access Areas that have been leased by Grantor to another entity; and,

WHEREAS, Grantor has agreed to pay Grantee \$125,000 annually for the maintenance of the Public Access Areas which are the subject of this Agreement and Grantee will make available for improvements on the Public Access Areas on an annual basis a minimum of \$125,000 for capital improvements on a matching fund basis, with matching funding sources coming from but not limited the following sources: (1) Grantor, (2) a state or local agency or other governmental agency, (3) a third party lessee, or (4) donation from an individual.

NOW, THEREFORE, the parties enter into the following Agreement, subject to the exceptions and reservations and upon the terms and conditions and for the purposes in this instrument set out, for the portions designated as being maintained by the Grantee on the Public Access Areas, shown on Exhibits A and B of this Agreement.

1. Term: This Agreement shall become effective as soon as signed by the parties hereto and shall remain in force until it is terminated by either party or on its expiration date of August 31, 2008, whichever comes first. Except, however, this Agreement may be renewed after the termination date, but Grantor shall not be obligated to renew.

2. Previous Agreements: This Agreement will supercede all prior existing agreements between Grantor and Grantee for any or all of the Public Access Areas contained in this Agreement, and all such Public Access Areas are now subject to and controlled by the terms and conditions of this Agreement.

3. Public Use of Facilities: Grantee will allow any recreation user of any leased portion of the Public Access Areas to cross and use the portion of the Public Access Area under control of Grantee, for the purpose of viewing the lake or any other lawful recreation activity.

4. Law Enforcement: Grantee has the responsibility under this Agreement to enforce the laws of the State of North Carolina for which it is responsible and to enforce its own regulations, on all portions of all Public Access Areas listed in Exhibits A and B, except those portions of the Public Access Areas that have been leased to another party.

5. Wildlife Protection Access: Grantee, its agents and assigns shall have the rights of ingress and egress upon all of the Public Access Areas of Grantor designated on Exhibits A and B, at any and all times for the protection and propagation of wildlife.

6. Annual Coordination Meeting: At least once each year, Grantor and Grantee will meet, during the period of January to March, to discuss and coordinate future development plans for improvements to the Public Access Areas. Proposed improvements will follow the plan and schedule agreed upon in the most recent version of Duke Power's Shoreline Management Plan, unless both Grantor and Grantee agree to a proposed revision to the plan and schedule. Potential projects for joint funding in any given year will normally be presented and discussed during the previous year's Coordination Meeting, with a final decision made not later than June of the year before

construction is to be initiated. Additional topics for the Coordination Meeting may include any proposed changes in operating hours or the implementation or modification of any user fees. Decisions on projects, operating hours and user fees must be acceptable to both Grantor and Grantee in order to be implemented.

7. Joint Inspection: Grantor and Grantee will perform an annual joint physical inspection of each of the Public Access Areas included in this Agreement, to insure the Public Access Areas are being maintained in a safe manner and to the levels mutually acceptable to Grantor and Grantee.

8. Cost-Share: Grantor has agreed to pay Grantee a \$125,000 per year fee to maintain the access areas that are the subject of this Agreement. In return for this annual fee, Grantee has agreed to provide a minimum of \$125,000 per year toward capital improvements on Public Access Areas, provided that matching monies are available on a 50-50 match basis. Matching funding can come from numerous sources, including but not limited to (1) Grantor, (2) a state or local agency or other governmental agency, (3) a third party lessee, or (4) donation from an individual. That portion of the funding provided for capital improvements to match Grantee's funds may only be utilized for improvements that directly benefit boating access users or bank fishing persons. The annual cost-share amount can exceed \$125,000 if the Grantee has additional funds available for improvements to the Public Access Areas. Further, to insure Grantee retains the potential to utilize "U.S. Fish and Wildlife Sportfish Restoration Funds", the source of matching funds shall not be a federal government source. All capital improvements, constructed with these matching funds, that are not located within the physical boundaries of the Grantee managed portion of the Public Access Area, must remain accessible and free of charge to boating access facility users and for bank fishing persons for the duration of this Agreement. The Grantee's portion of the matching funds will normally be paid via check to Grantor (or the adjacent lessee if the adjacent lessee's funds are being matched) and not later than December 1 of the calendar year within which the capital improvement was completed. The dollar equivalent for materials and labor may on occasion be accepted from either party in lieu of an actual dollar payment, but such acceptance will be project dependent and must be determined, in writing, prior to initiation of any work on the capital improvement being funded.

9. Improvements: Grantee shall have the right to make additions or modifications to its facilities at the Public Access Areas, to change operating hours of such facilities and to implement or modify user fees not inconsistent with the purpose of the Public Access Areas. Grantee shall submit such requests in writing to Grantor and shall receive written approval from Grantor prior to initiating any work or instituting changes to the hours or user fees within the Public Access Areas. Additions to or modifications of any facilities will require the submittal of detailed plans, including but not limited to construction plans and elevation drawings. Major additions or modifications will typically require review by other entities and may require FERC approval.

10. Major Repair Costs: When major “non-routine” repairs or replacement projects become necessary, Grantor and Grantee will combine their available resources, as necessary to make such repairs, including the above mentioned cost-share funding. Further written approval by both parties must be obtained prior to work being initiated. Major “non-routine” repairs may include, but are not limited to replacement of a pier, boat ramp, road, or parking lot.

11. Termination: This Agreement or any part thereof may be terminated by either party upon three (3) months written notice to the other. Grantor may terminate this Agreement at any time if directed to do so by the FERC or its successor agency having jurisdiction over hydroelectric reservoirs that are subject to the Federal Power Act. Upon termination or expiration of this Agreement, Grantee shall have the right to remove any and all buildings, apparatus and materials supplied by them for the purpose of this Agreement for a period of ninety (90) days. If Grantee shall not have removed its personal property, any remaining buildings, apparatus or materials shall become the property of the Grantor.

12. Amendments: Amendments to this Agreement may be proposed by either party upon thirty (30) days written notice to the other, and such amendments shall become effective, if agreed upon by both parties and shall become effective on the date such Amendment is signed by the parties hereto.

13. Transfer or Assignment: Grantee may not transfer or assign this Agreement to any other party or entity.

14. Changes to Public Access Areas: Grantor reserves the right to move, alter or change the location, boundaries or layout of any Public Access Area or private road access to any Public Access Area, wherever and whenever it shall become necessary in order to insure full public utilization of the area or to prevent any noxious or offensive use of any area, or whenever the land then occupied by such Public Access Area or road is necessary to the operations of Grantor. In the event the relocation of any Public Access Area becomes necessary, Grantor will notify the Grantee and will attempt to relocate the affected Public Access Area on land owned by Grantor and at a location satisfactory to the Grantee. Grantor may add, remove or close all or any portion of any Public Access Area, at any time, after notifying the Grantee of the proposed action.

15. Compliance with Federal, State and Local Laws: Grantee agrees that its use of the subject premises as herein provided will be consistent with all FERC orders and regulations regarding recreational opportunities and development at licensed projects, and all other applicable state, federal and local laws as well as all ordinances, rules, regulations and sanctions of any regulatory body or governmental agency (state, federal or local) having jurisdiction in the subject premises, and Grantee's use of the aforesaid subject premises will comply with all applicable Duke Power Lake Management requirements and will not endanger health or safety, create a nuisance or otherwise be incompatible with the overall recreational use of the FERC Project No. 2232 and Belews Lake.

16. Notice of Changes to Design or Operation: Grantor will notify Grantee in writing of all new orders issued by the FERC or any other applicable agency having jurisdiction over the subject premises that in any way affect the design and/or use of the Public Access Areas which are the subject of this Agreement.

17. Response to Increase in Recreation Use: Grantor will in good faith, for the lakes aforementioned of the Catawba-Wateree Hydro Project, endeavor to accommodate future increases in public recreation use of the lakes by arranging for the expansion of the Public Access Areas which are the subject of this Agreement or by arranging for new and/or replacement public recreation facilities on lands that are or may become available for such purposes and when such land areas are consistent with the Shoreline Management Plan and/or the operation of Grantor's business.

18. FERC License Conflicts: Except for the Belews Lake Public Access Areas, this Agreement is subject to the terms and conditions of the license issued by the FERC for the Catawba-Wateree Hydro Project. In the event of any conflict between the terms and conditions of this Agreement and the terms of the license, it is agreed that the terms of the license shall prevail.

19. Reservation of Use: The right to use the Public Access Areas which are the subject of this Agreement for project purposes and for any other purpose consistent with Grantor's business operations is hereby reserved to the FERC project licensee, its successors and assigns.

20. Reservation of Authority: No terms or conditions herein contained shall be construed as limiting or affecting in any way the authority of Grantor in connection with its exercise of proper protection and administration of the Public Access Areas or its FERC license, except NCWRC's responsibility for game and fish conservation.

21. Boat Launching Facilities: Grantor will provide public boat launching facilities for the Public Access Areas, where such facilities are shown on Exhibit A and Exhibit B, for the duration of this Agreement. Should relocation or replacement of public boat launching facilities be required for any of the Public Access Areas that are the subject of this Agreement, the major repair cost measures defined in Item 10 will be implemented to determine the funding for such relocation or replacement.

22. Signage: Grantor will provide all information, entrance and regulation signs as required by the Grantor's FERC License and Grantee will erect and maintain all said signs.

23. Boundary Signage: The Grantee will demarcate the boundaries of each Public Access Area contained within this Agreement with NCWRC approved signs.

24. Fire Protection: In the event of a fire within or threatening to the lands or facilities of any of the Public Access Areas which are a part of this Agreement, Grantee agrees to assist Grantor with the protection of the Public Access Area against such fire.

25. Maintenance: Grantee shall provide routine maintenance and repairs at all the Public Access Areas which are the subject of this Agreement, including but not limited to those items specified in 'a' through 'o' below.

a. Entrance Road: Entrance roads are to be maintained in a safe, open and clear condition and repaired on an as needed basis to ensure roads maintain a good quality surface and drainage. Repairs may include, but are not limited to: repairing asphalt and maintaining gravel drives clear of ruts by grading and/or adding stone, keeping side ditches, water bars and culverts clear of water flow impediments, painting lines, and repairing guardrails.

b. Parking Lots and Turnarounds: Parking lots and turnarounds are to be maintained in a safe condition and repaired on an as needed basis to ensure good drainage. Repairs may include, but are not limited to: repairing asphalt, repainting faded lines and letters, painting new lines and letters as needed, repairing curbing, applying asphalt sealer, maintaining gravel parking lots clear of ruts and ensuring proper drainage by grading and/or adding stone, keeping all areas clear of debris, weeds and grass.

c. Piers and Docks: Any piers and docks provided are to be maintained in a safe condition and repaired on an as needed basis to ensure user safety. Repairs may include, but are not limited to: replacing broken or defective parts, replacing broken or loose pilings, replacing defective floats, insuring pier sections remain attached to each other, maintaining stone level around pier abutments and ramps, insuring nails and fastening devices are flush with pier surfaces, ensuring boat bumpers provided remain in sound condition, and maintaining handrails free of any rough or sharp areas.

d. Boat Launch Ramps: Boat Launch ramps are to be maintained in a safe condition and repaired on an as needed basis to ensure user safety. Repairs may include, but are not limited to: keeping boat ramps clear of debris and silt or any items that could hinder boat launching, maintaining stone at a sufficient level along edges and ends of ramps, and repairing any holes in ramps.

e. Drainage Control Devices: All drainage control devices provided on site are to eliminate erosion problems and are to be maintained in a safe condition and repaired on an as needed basis to ensure good drainage. Repairs may include, but are not limited to: correcting any erosion problems and keeping drainage ditches and culverts clear of all debris, trees and other drainage impediments.

f. Access Area Shoreline: The entire access area shoreline is to be maintained in a safe condition and repaired on an as needed basis to ensure safety of

recreation users and keep erosion under control. Repairs may include, but are not limited to: maintaining or adding erosion control materials and removing brush or trees that threaten to displace erosion control materials or that may threaten the integrity of the bank.

g. Dead or Diseased Tree Removal: Remove all dead or diseased trees or trees and limbs that have fallen on the Public Access Area that are impeding use or maintenance of the area.

h. Tree Maintenance: Ensure that all trees bordering parking areas, roads and/or walkways do not block driver vision, do not interfere with the movement of pedestrians, vehicles and boats on the roads or in parking areas, and do not impede mowing and maintenance of the Public Access Area. Trim any trees that may block vision or interfere with vehicle and boat movement or that have dead limbs that could injure recreation users if they fall.

i. Trash Removal: When trash receptacles are placed in Public Access Areas, ensure that such receptacles are maintained in a safe and sanitary condition and are adequate to handle the volume of debris normally disposed of in the area. All trash receptacles should be emptied weekly or more often so that the accumulation of trash/refuse/junk does not present a safety or health hazard in the Public Access Area. Heavily used Public Access Areas may require more frequent trash removal and frequency of trash removal may need to be increased during peak recreation seasons and on weekends. All trash should be removed from the grounds before mowing. Additionally, all refuse and trash that has been scattered around the Grantee managed portions of the Public Access Areas should be removed on a weekly basis or as often as needed to ensure a safe and hazard free area.

j. Grass and Ground Cover: Ground cover, be it shrubs, grass, or mulch, will be provided throughout the Public Access Areas and should be maintained in a safe, environmentally sound, and aesthetically pleasing condition. Mulch and/or grass areas should be maintained at a height of not less than three (3) inches or more than eight (8) inches. When grass is provided, it is to be mowed to the ditch or tree line along roadways, to the tree line around parking lots and to the tree line in open areas. Mowing an additional four (4) feet (or one mower width of at least three [3] feet) on the opposite side of the ditch line shall be done in May, August and November to keep the growth in check.

k. Use of Herbicides: Environmentally acceptable herbicides approved by the Environmental Protection Agency and/or the North Carolina Department of Agriculture may be utilized in Public Access Areas on an as needed basis to control unwanted vegetation in driveways, parking lots, turnaround areas, designated foot paths, stabilized shoreline areas and on boat ramps. Herbicide may be applied to the first 6 (six) inches of grass around the edges of the parking lots, turnarounds and roads and around the signposts, trash can pads, light poles and culverts to minimize the amount of trimming needed.

l. Use of Fertilizer: Use of fertilizer in the Public Access Areas is permitted on a seasonal and as needed basis. Public Access Areas should be fertilized twice per year or at the times recommended and with the type of fertilizer recommended for the type of material planted and being treated.

m. Use of Grass Seed: Use of grass as a ground cover in Public Access Areas is permitted. The timing of, preparation for and application of grass seed will be dependent on what is recommended for the type of seed being applied in the area.

n. Signage: All signage provided on the Public Access Area must be maintained in safe and readable form.

o. Lighting and Utility Lines: Any lighting provided within the Public Access Areas must be installed to current building and electrical code requirements and maintained in a safe manner. The Grantee will assume all costs associated with any lighting and its maintenance provided at a Public Access Area, including but not limited to payment of power bills. To the maximum extent practicable, new or modified utility lines and/or boating facilities should be designed so that overhead utility lines do not cross boat access roads, access parking lots, turn-around areas, or launch ramps. Any overhead utility lines that have no other practical alternative to being within the areas defined above, must be designed with the height clearances required by the National Electric Safety Code or any other applicable electrical safety codes, whichever is the most restrictive and provides for the greatest height.

26. Leases of Portions of the Public Access Areas: Grantor has the right to lease portions of the Public Access Areas to state or local agencies, third parties or individuals for the provision of additional public recreation facilities and the terms of this Agreement will become a part of the lease on other portions of the Public Access Area, subject to the approval of all parties. The portion of the Public Access Area which is the subject of this Agreement with the Grantee, as shown on the Public Access Area Plats in Exhibits A and B, will be excluded from the lease with any other agency, third party or individual.

27. Entry by Additional Lessees: Grantor has the right to lease portions of the Public Access Area, beyond that portion of the area maintained by the Grantee and such Additional Lessees, its agents and representatives, at all reasonable times may enter, cross and use the portion of the Public Access Areas maintained by the Grantee, for the purpose of installing and maintaining utility lines, roads and trails according to the previously approved facilities improvement plan for the Public Access Area.

28. Utility Easement: Grantor reserves an easement to build, construct, maintain and operate electric distribution/transmission lines on, over, along and above the leased premises. Grantor also reserves the right, privilege and easement to erect, construct, reconstruct, replace, maintain and use towers, poles, wires, crossarms and other appliances and fixtures for the purpose of transmitting or distributing electric power, for said Grantor's communication purposes, and for

any other purpose consistent with Grantor's business operations, together with the right to keep said lines, appliances, and fixtures free of structures, trees and other objects that may endanger or interfere with same.

29. Flooding: Grantor reserves the unlimited right to back or flood the waters of the Keowee and Little Rivers and its tributaries from time to time and at any and all times over and upon the leased premises or any portion of the same, to such extent the flooding may be necessary or convenient in connection with the practical operation of its hydroelectric power plants located or to be located in the future upon the Keowee and Little Rivers. Grantee agrees that any damage it may suffer as a result of such flooding shall not be claimed or charged against Grantor. Grantee hereby waives all claims against Grantor for damages resulting from floods that may occur on the Keowee and Little Rivers or any tributary thereof.

30. FERC Project Restoration: Grantor shall be under no obligation to Grantee to maintain or continue to operate the Project and should said Project be damaged, destroyed or removed, the Grantor shall be under no obligation to restore or rebuild same, and Grantee hereby waives all claims against Grantor for damages to or destruction or removal of the Project.

31. User Fees: User fees on that portion of the Public Access Area contained in this Agreement and under control of Grantee, may only be charged under the following conditions:

a. Review Process: At least sixty (60) days prior to implementation of the user fees, all parties will be provided with a copy of the proposed fee schedule and a written proposal describing how the fees will be collected and how the proceeds will be distributed and utilized. (Note: As a general rule, proceeds from the user fees should be equitably shared among the parties considering the site uses to which the fees apply and the relative proportion of each party's operating and maintenance expenses for those applicable site uses.)

b. Prior Written Approval Required: The user fees will not be implemented until written approval has been received from all involved parties.

c. Review of User Fees: User fees established for the Public Access Areas on the lakes of the Catawba-Wateree Hydro Project or Belews Lake must be a reasonable and customary amount and the user fees proposed or established for the Catawba-Wateree Hydro Project Lakes are subject to review and approval by the FERC to ensure license compliance.

d. Exemptions from User Fees: Grantor's employees, Grantee's employees, third party lessee employees, local law enforcement officials, local environment and public health officials, and local emergency response crews, or any other official operating in his/her official capacity will be exempt from these user fees.

32. Indemnity: Grantee, to the extent allowed by applicable North Carolina law, specifically as may be authorized by the General State of North Carolina, Article 31,

Chapters 143-291, entitled “Tort Claims Against State Departments and Agencies”, covenants to indemnify and save harmless Grantor from and against any and all claims, liability, loss or damage, arising from any conduct, work or thing done under the terms of this Agreement, to include injury or damage to any person or persons, including Grantor, or to the property of any person, or persons or corporations occurring on or within the Public Access Areas which are the subject of this Agreement, as the result of any activity of Grantee, its agents, employees, or any other person or entity under the direction of the Grantee, and for any protection, mitigation and enhancement measures or activities required by FERC or its successor agency in connection with the activities conducted by Grantee hereunder. Upon the State of North Carolina (State) contracting with an entity for the purpose of constructing any facilities on the Public Access Areas that are the subject of this Agreement, Duke Power, a division of Duke Energy Corporation shall be named as an insured or an additional insured on a policy of insurance covering the scope of such activity prior to the commencement of any activity by the State, its agents or contractors. Any contractor or subcontractor performing work on property that is the subject of this easement shall have in place prior to commencement of any activity and during the performance of any activity, the following types of insurance and coverage limits:

- *General Liability Coverage -- Two million dollars per occurrence
- *Auto Liability -- one million dollars per occurrence
- *Workers Compensation within statutory limits
- *Employers Liability – five hundred thousand dollars each accident
- *Contractor’s Pollution Liability Coverage -- one million dollars per occurrence

33. Limitation of Liability: Grantor and Grantee agree and warrant that any and all work performed within the Public Access Area will be performed with professional thoroughness and using acceptable standard business practices. Grantor's total cumulative liability to Grantee for claims of any kind whether based on contract, tort (including negligence and strict liability and excluding willful misconduct), under any warranty or otherwise, for any loss or damage relating to this Agreement, shall in no case exceed the cost of completing the work in accordance with acceptable business practice, and Grantee releases Grantor from all further liability in excess of this amount for any work performed under this Agreement. Grantee further releases Grantor from any and all liability resulting from any injury of any employee of Grantee or anyone performing any service at the direction of the Grantee on the Public Access Area, excluding any acts of willful misconduct of the Grantor.

Neither party shall be liable, whether based on contract, tort (including negligence and strict liability), under any services or work performed relating to this Agreement, for any consequential, indirect, special, or incidental loss or damage, any damage (except to the extent damage resulted from willful misconduct) to or loss of any property of equipment.

This limitation of, or protection against liability shall also protect directors, officers, employees, agents, consultants, suppliers, subcontractors, and affiliated entities and their directors, officers, employees, agents, consultants, suppliers, subcontractors, parents, subsidiaries and affiliates of the Grantor and shall apply regardless of the fault (excluding willful misconduct), negligence or strict liability of the respective party.

Grantee waives and will require its insurers to waive all rights to recovery and claims of any kind, including rights and claims to which its insurers or another may be subrogated, against Grantor arising out of damage to, loss of or loss of use of any of Grantee's property, located on the Public Access Area, whether based on contract, tort (including negligence and strict liability), under any warranty or otherwise. These waivers are effective as to all damages to, losses or losses of use of property arising out of or relating to this agreement or deficiencies in the services provided hereunder and Grantee hereby covenants that no such action or claim shall be brought by or through Grantee on any theory whatsoever. In the event Grantee or its insurers recover damages from a third party for losses or damages to which the foregoing waivers apply, Grantee shall indemnify and hold Grantor harmless against any liability for any such losses or damages which said third party recovers from Grantor and any expenses (including attorney fees and other cost of investigation and defense) related hereto.

The limitation of liability in this provision shall apply notwithstanding any other provision of this Agreement.

34. Survival: Provisions of this Agreement for Termination #11, Limitations of Liability #33, Survival #34 and the indemnification provision of this Agreement shall survive the termination or cancellation of this Agreement and shall remain in effect.

35. Notices: Wherever in this Agreement it shall be required or permitted that notice be given by either party to this Agreement to the other, such notices must be in writing and must be given personally or forwarded by certified mail addressed as follows:

To Grantor: Duke Power, a Division of Duke Energy Corporation
Attn: GEH&S, Environmental Engineering, Lake Management
EC12Q
P.O. Box 1006
Charlotte, NC 28201-1006

To Grantee: North Carolina Wildlife Resources Commission
Division of Engineering Services
Attn: Division Chief
1720 Mail Service Center
Raleigh, NC 27699-1720

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed this the day and year first above written.

ATTEST:

DUKE POWER, A DIVISION OF
DUKE ENERGY CORPORATION

Assistant Secretary

By _____
Curtis Davis, Senior Vice-President
Power Generation Division

ATTEST:

STATE OF NORTH CAROLINA

Secretary

By _____
Executive Director
NC Wildlife Resources Commission

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public for the above State and Counties, hereby certify that Curtis Davis personally came before me this day and acknowledged that he is Senior Vice-President, Power Generation Division of DUKE POWER, a Division of DUKE ENERGY CORPORATION, a corporation, and that by authority duly given and as the act of said corporation, the foregoing and annexed instrument was signed in its name by Curtis Davis, its Senior Vice-President, Power Generation Division, sealed with its corporate seal and attested by _____ himself/herself as its Assistant Secretary.

WITNESS my hand and official seal, this the ____ day of _____, 2000.

Notary Public

My Commission Expires: _____

[NOTARIAL SEAL]

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public for the above State and Counties, hereby certify that _____ personally came before me this day and acknowledged that he is Executive Director of the North Carolina Wildlife Resources Commission, and that by authority duly given and as the act of said Agency of the State of North Carolina, the foregoing and annexed instrument was signed in its name by _____, its _____, sealed with its corporate seal and attested by _____ as its _____.

WITNESS my hand and official seal, this the ____ day of _____, 2000.

Notary Public

My Commission Expires: _____

[NOTARIAL SEAL]

ASSISTANT SECRETARY CERTIFICATE

I, _____, Assistant Secretary of Duke Power, a Division of Duke Energy Corporation, do hereby certify that the following is a true and correct excerpt of a Resolution adopted September 22, 1997, by the Management Committee of the Board of Directors of Duke Energy Corporation, and that said quoted Resolution has not been rescinded or amended:

FURTHER RESOLVED, That Curtis Davis the Senior Vice-President of the Power Generation Division, be and hereby is authorized, to execute any contract, lease, deed or other instrument relating to real property without further action or approval by the Board of Directors of this Committee when deemed by said Senior Vice-President to be necessary or desirable in the operation of the Company's business, subject, however, to a monetary limit of \$1,500,000.00 consideration or value in any single transaction, and to execute such documents in any such transaction which is approved by a resolution of this Committee.

FURTHER RESOLVED, That the Secretary or any Assistant Secretary be and hereby is authorized to attest and affix the Corporate seal to any contracts, leases, deeds or other instruments executed under authority of this resolution and may execute any certificate that may be required to certify the incumbency and authority of the officer or manager executing such documents.

I further certify that on _____, 2000, Curtis Davis was the Senior Vice-President, Power Generation Division, and by reason of holding said position and pursuant to the above quoted Management Committee's Resolution, had full authority to represent and act on behalf of Duke Energy Corporation with respect to the execution of an Agreement between Duke Power, a Division of Duke Energy Corporation and the North Carolina Wildlife Resources Commission for lands located in the Counties of Alexander, Burke, Caldwell, Catawba, Forsyth, Gaston, Iredell, Lincoln, McDowell, Mecklenburg and Stokes, North Carolina and to execute on behalf of Duke Power, a Division of Duke Energy Corporation all documents and instruments relating in any way thereto.

WITNESS my hand and official seal of said Company this ____ day of _____, 2000.

Assistant Secretary