KEOWEE-TOXAWAY
DROUGHT MANAGEMENT ADVISORY GROUP
CHARTER

OVERVIEW AND BACKGROUND

The Savannah River provides water for public water supply, power generation, industry, navigation, irrigation, fish and wildlife resources, public recreation and aesthetic resources over a broad area encompassing parts of Georgia (GA), South Carolina (SC), and a small part of North Carolina. The Upper Savannah River Basin has six storage reservoirs that provide hydroelectric power and cooling water for thermal electric plants in the region. The River and its reservoirs are important factors supporting the regional economy and quality of life.

The Savannah River and its reservoirs generally function well in providing their benefits even during droughts. But when it gets dry, it is especially prudent to take actions to preserve the most vital benefits for as long as possible until rains replenish the system. Drought management plans exist with reservoir operators (e.g., Duke Energy, United States Army Corps of Engineers (USACE)), public water suppliers and with Georgia and South Carolina governmental agencies. The success of these plans depends heavily on water users and reservoir operators taking appropriate actions as called for in the plans. Coordinated messages from the drought managers are important for the public’s recognition of the seriousness of the drought and therefore to the effectiveness of the drought plans.

The Keowee-Toxaway Drought Management Advisory Group (KT-DMAG) was developed as a result of the relicensing of Duke Energy’s Keowee-Toxaway Hydroelectric Project (KT Project) with the Federal Energy Regulatory Commission (FERC). To enhance its process for developing a New License application, Duke Energy worked with KT Project stakeholders to negotiate a formal contract (the Relicensing Agreement) among Duke Energy and 16 other Parties. The contract became effective on December 1, 2013. Recognizing that usable water storage and related hydro operations are key elements for the New License especially during droughts, the Relicensing Agreement Parties developed a KT Project drought plan called the Low Inflow Protocol (LIP), which became part of the Relicensing Agreement. The LIP actions are closely coordinated with the USACE’s Drought Plan (DP) for the downstream USACE Reservoirs (i.e., Hartwell, Russell and Thurmond lakes).

Also, on October 17, 2014, Duke Energy, the USACE and the Southeastern Power Administration (SEPA) entered into a New Operating Agreement (NOA) which refines how water will be shared between reservoirs in the Savannah River Basin operated by Duke Energy and the USACE. In addition, the USACE will encourage Large Water Intake owners on the USACE Reservoirs to conserve water during droughts in a manner similar to the LIP. The LIP defines the formation of the KT-DMAG with a membership listed below.

PURPOSE OF THE KEOWEE-TOXAWAY DROUGHT MANAGEMENT ADVISORY GROUP

The KT-DMAG is a voluntary advisory group tasked with (1) working with the KT Project Licensee (i.e., Duke Energy) when the LIP is initiated and (2) fostering a more unified response to drought conditions in the Savannah River Basin. The KT-DMAG will enhance the
effectiveness of drought actions through coordinated public communications. In addition, information shared in the KT-DMAG will help its members:

- Provide a broader context for the South Carolina Department of Natural Resources (SCDNR) and the Georgia Environmental Protection Division (GA-EPD) in their consideration of drought declarations;
- Provide broader context when SC, GA or Large Water Intake owners are considering modifying their drought plans; and
- Encourage increased communications and coordination with other groups addressing water quantity issues in the Savannah River Basin.

**PURPOSE OF THE CHARTER**

The purpose of this Charter is to define the KT-DMAG activities; membership; membership representation, participation and roles; discussion protocols; decision-making processes; administration; facilitation; and technical support.

**DEFINITIONS AND ABBREVIATIONS**

For the purpose of this Charter, the following words and phrases are defined below.

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Critical Energy Infrastructure Information (CEII)</td>
<td>Specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure (physical or virtual) that: 1) relates details about the production, generation, transmission, or distribution of energy; 2) could be useful to a person planning an attack on critical infrastructure; 3) is exempt from mandatory disclosure under the Freedom of Information Act; and 4) gives strategic information beyond the location of the critical infrastructure</td>
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<tr>
<td>DP</td>
<td>Drought Plan; the plan used by the USACE to manage water quantity in the USACE Reservoirs in the Savannah River Basin during drought</td>
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<tr>
<td>Duke Energy</td>
<td>Duke Energy Carolinas, LLC</td>
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<tr>
<td>Duke Energy Reservoirs</td>
<td>Bad Creek Reservoir, Lake Jocassee, and Lake Keowee</td>
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<td>Existing License</td>
<td>License document issued to the Licensee for the Keowee-Toxaway Hydroelectric Project (FERC Project No. 2503) with an effective date of September 1, 1966, and including all license amendments since that time, with requirements relative to the Licensee’s operation of the KT Project through the license expiration date of August 31, 2016, and as extended by an annual license(s)</td>
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<tr>
<td>FERC</td>
<td>Federal Energy Regulatory Commission</td>
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<td>GA</td>
<td>Georgia</td>
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<tr>
<td>GA-EPD</td>
<td>Georgia Environmental Protection Division</td>
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<tr>
<td>KT</td>
<td>Keowee-Toxaway</td>
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<tr>
<td><strong>KT-DMAG</strong></td>
<td>Keowee-Toxaway Drought Management Advisory Group</td>
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<tr>
<td><strong>KT Project</strong></td>
<td>Keowee-Toxaway Hydroelectric Project</td>
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<td><strong>Large Water Intake</strong></td>
<td>Any water intake (e.g., public water supply, industrial, agricultural, power plant, irrigation, etc.) having a maximum instantaneous capacity greater than or equal to one million gallons per day (MGD)</td>
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<td><strong>Large Water Intake owner</strong></td>
<td>The owner of a Large Water Intake (e.g., Greenville Water, Seneca Light &amp; Water, Duke Energy, etc.)</td>
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<tr>
<td><strong>Licensee</strong></td>
<td>Duke Energy Carolinas, LLC</td>
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<tr>
<td><strong>LIP</strong></td>
<td>Low Inflow Protocol; the plan used by Duke Energy and others to manage water quantity in the Duke Energy Reservoirs in the Savannah River Basin during drought. The original version of the LIP was included as part of the Relicensing Agreement.</td>
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<tr>
<td><strong>Lower Savannah River Basin</strong></td>
<td>The portion of the Savannah River Basin downstream of J. Strom Thurmond Lake (Clarks Hill Lake)</td>
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<tr>
<td><strong>MGD</strong></td>
<td>Million gallons per day</td>
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<td><strong>New License</strong></td>
<td>The license anticipated to be issued by the FERC to replace the Existing License for the KT Project</td>
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<td><strong>NOA</strong></td>
<td>New Operating Agreement; an agreement between the Licensee, USACE and SEPA specifying among other things the required water releases from Lake Keowee into Hartwell Lake</td>
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<td><strong>Relicensing Agreement</strong></td>
<td>A contract between Duke Energy and 16 other Keowee-Toxaway relicensing stakeholders addressing all resource matters at issue related to the New License for the KT Project including issues related to reservoir elevations, water user needs, drought response, maintenance and emergency response, historic properties, public recreation, species protection, shoreline management, water quality, and other resource enhancement interests. The Low Inflow Protocol is a part of this contract.</td>
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<tr>
<td><strong>SC</strong></td>
<td>South Carolina</td>
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<td><strong>SCDHEC</strong></td>
<td>SC Department of Health and Environmental Control</td>
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<td><strong>SCDNR</strong></td>
<td>SC Department of Natural Resources</td>
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<tr>
<td><strong>SEPA</strong></td>
<td>Southeastern Power Administration</td>
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<td><strong>Upper Savannah River Basin</strong></td>
<td>The portion of the Savannah River Basin draining to the dam at J. Strom Thurmond Lake (Clarks Hill Lake)</td>
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<td><strong>USACE</strong></td>
<td>U.S. Army Corps of Engineers</td>
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<td><strong>USACE Reservoirs</strong></td>
<td>Hartwell Lake, Richard B. Russell Lake, and J. Strom Thurmond Lake (Clarks Hill Lake)</td>
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<td><strong>USGS</strong></td>
<td>U.S. Geological Survey</td>
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SAVANNAH RIVER BASIN CHARACTERISTICS

Savannah River Basin Reservoirs – Duke Energy

Duke Energy operates the KT Project (FERC Project No. 2503) under a license (the Existing License) from the FERC. The KT Project includes Lake Keowee and Lake Jocassee. This Existing License expires on August 31, 2016. Duke Energy is seeking a New License from the FERC and filed a timely application on August 27, 2014, to relicense the KT Project with the FERC. Duke Energy also operates the Bad Creek Hydroelectric Project under a separate FERC license (FERC Project No. 2740) which expires on July 31, 2027.

Savannah River Basin Reservoirs – USACE

The USACE operates the USACE Reservoirs to provide hydroelectric power, flood control, navigation, water supply, water quality, public recreation, and fish and wildlife protection. During droughts it operates the developments according to its DP last updated in 2012.

Savannah River Basin Drought Plans

Duke Energy uses the LIP, USACE uses the DP (the LIP closely follows the DP), GA water suppliers operate under regulation and guidance from the GA Drought Management Plan, and SC water suppliers adapt individual plans from a model drought plan developed under the SC Drought Response Act.

MEMBERSHIP AND MEMBER RESPONSIBILITIES

Membership in the KT-DMAG is voluntary. Potential Members are organizations identified below in this section. An organization interested in becoming a Member should notify Duke Energy, the KT-DMAG Coordinator. Each Member may have a primary representative for its organization and an alternate representative who may act in the absence of the primary representative. Both the representative and alternate are encouraged to participate in all KT-DMAG activities.

By joining KT-DMAG, each Member agrees to coordinate its public drought communications with the KT-DMAG. During droughts Members that are Large Water Intake owners will:

1. Provide to the KT-DMAG Coordinator current month and projections for next month’s water use from any of the Basin’s reservoirs and from any alternative water supply sources;
2. Provide to the KT-DMAG an overview of system conditions related to water use from any of the Basin’s reservoirs (i.e., leaks, status of alternative water sources, new or potential large water users, etc.); and
3. Consistent with their drought plans, request or require water use restrictions from water customers and/or make greater use of water sources other than the Savannah River.

LIP-Designated Members (Upper Savannah River Basin)

The LIP identifies the following as Members of the KT-DMAG:

- SCDNR
- SCDHEC
- USGS
- USACE
• Each owner of a Large Water Intake used for municipal, industrial, or power plant water supply located on KT Project reservoirs
• Each owner of a Large Water Intake used for municipal, industrial, or power plant water supply located on any tributary stream within the Keowee-Toxaway River Basin that ultimately drains to Lake Keowee and that agrees to coordinate its public drought communications with the KT-DMAG
• Each owner of a Large Water Intake used for municipal, industrial, or power plant water supply located on the USACE Reservoirs and that agrees to coordinate its public drought communications with the KT-DMAG
• Duke Energy (KT Project Licensee and KT-DMAG Coordinator)

Other Members
• GA-EPD
• Each owner of a Large Water Intake used for municipal, industrial, or power plant water supply located on any tributary stream that ultimately drains to a USACE Reservoir and that agrees to coordinate its public drought communications with the KT-DMAG
• Each owner of a Large Water Intake used for municipal, industrial, or power plant water supply located on the Savannah River or a tributary flowing into the Savannah River downstream of Thurmond Dam that agrees to coordinate its public drought communications with the KT-DMAG
• Public water suppliers that purchase water from Large Water Intake owners (wholesale purchasers) on one of the Duke Energy or USACE Reservoirs, obtain their water from wells or other sources in the Savannah River Basin, or have responsibilities related to public water supply

Member Roles
Representatives and alternates should:
• Stay informed about and represent their organization’s interests related to drought management and the activities of the KT-DMAG;
• Coordinate as appropriate their organization’s public announcements on drought status and actions with announcements of the KT-DMAG and other KT-DMAG Members;
• Understand the similarities and differences in drought plans (including SC and GA requirements and models) and coordinate drought plans and actions as feasible;
• Provide information on water use and the effectiveness of called-for water use restrictions during drought;
• Provide other information to help Members improve drought management effectiveness from time to time; and
• Be prepared to participate effectively in meetings by reading meeting materials prior to the meeting.

MEETINGS
Meeting Frequencies
The KT-DMAG will meet in person at least annually to review prior year activities, discuss data input from public water suppliers that are Large Water Intake owners, and discuss other issues relevant to the LIP and Savannah River Basin drought management. Although most other
meetings are anticipated to be conducted by conference call, the KT-DMAG may meet in person to coordinate activities during elevated drought stages or when a particular need arises.

To coordinate actions during droughts, the KT-DMAG will typically meet once per month during LIP Stages 0 and 1, bi-weekly during LIP Stages 2 and 3, and at least bi-weekly during LIP Stage 4. These meetings will usually be conducted by conference calls.

**Meeting Coordination and Support**

As KT-DMAG Coordinator, Duke Energy will call meetings, provide agendas, and maintain an active roster of the KT-DMAG Members. The KT-DMAG Coordinator will advise all Members of the meeting at least three business days prior to conference calls and at least five business days prior to in-person meetings. Duke Energy will prepare summaries of all KT-DMAG meetings and make these summaries available to the public by posting on its website. Duke Energy may delegate some of the duties to a facilitator and provide technical support as appropriate.

**Meeting Ground Rules**

The KT-DMAG Coordinator or facilitator may establish ground rules to help the meetings be efficient and effective. Typical ground rules are listed below:

- Speak one at a time as recognized by the facilitator
- Be concise and stick to the topics on the meeting agenda
- Speak only on one topic per entry (no laundry lists)
- Speak to the whole group when talking
- Avoid side conversations in the meetings
- Avoid off-topic questions
- Treat other Members with respect at all times

**Public Communication**

Meeting summaries will be posted on Duke Energy’s website [http://www.duke-energy.com/lakes/ktdmag.asp](http://www.duke-energy.com/lakes/ktdmag.asp). From time to time, it will be beneficial to be more proactive and reach out to the public about the status and progress of a drought and the activities members of the public should take to address the drought. Typically these communications will be through KT-DMAG press releases and appropriate additional media contacts. In these cases, Duke Energy (as the KT-DMAG Coordinator) will take the lead in drafting the communications (e.g., press release), identifying Members who might be quoted and, after review by KT-DMAG Members, distribute the press release to the media. Duke Energy may also take the lead in identifying and implementing other types of outreach appropriate for the KT-DMAG and the situation. Members are encouraged to coordinate their individual public communications including website messages with the KT-DMAG.

**Public Observation at Meetings**

In-person meetings will be open for public observation, and a brief session for public comments may be provided at the meeting usually near the beginning. Although a rare occurrence, meetings may be temporarily closed for discussion of topics related to personnel decisions, contract negotiations, sale of property, receipt of legal advice, security personnel or devices, Critical Energy Infrastructure Information (CEII), business recruitment/economic development, or issues related to criminal prosecution. Meetings may be closed only by consensus of the Members present at the meeting.
DECISION MAKING

Because the KT-DMAG’s principal activities are information sharing and drought communications coordination, group decision making on substantive matters is anticipated to be infrequent. However, unless otherwise noted in this Charter, KT-DMAG decisions will be made using consensus, meaning that all KT-DMAG Members in attendance at a properly announced meeting can live with the decision.

Membership or participation in the KT-DMAG by governmental entities does not restrict or supersede any of their duties, obligations, or statutory authorities. The KT-DMAG does not determine drought stages or levels for any entity.

REVISIONS TO THE CHARTER

The KT-DMAG Members may make revisions to this Charter from time to time. Revisions will be made by consensus of all those Members in attendance plus concurrence within 30 days of other Members not in attendance but who have participated in 50 percent or more of the meetings (including calls) within the previous 12 months. Members not in attendance and not responding within 30 days will be considered as having consented to any proposed Charter revisions.

REVISIONS TO THE LIP

The process for revising the LIP is spelled out in the LIP which is incorporated into the Relicensing Agreement.