



OCONEE COUNTY
CONSERVATION BANK BOARD

415 South Pine Street
Walhalla, SC 29691
c/o Clerk to Council

Treasurer's Report

Community First Bank Account: *****183

Period Ending: December 31, 2012

DEPOSITS

Opening Balance		\$ 0.00
Deposit	12/19/2012	\$ 1,200.00
TOTAL DEPOSITS		\$ 1,200.00

EXPENDITURES

Expenditures		\$ 0.00
TOTAL DEPOSITS		\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE **\$ 1,200.00**

Report Submitted by:

A handwritten signature in blue ink that reads "Marvin Prater".

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



OCONEE COUNTY
CONSERVATION BANK BOARD

415 South Pine Street
Walhalla, SC 29691
c/o Clerk to Council

Treasurer's Report

Community First Bank Account: *****183

Period Ending: January 31, 2013

DEPOSITS

Opening Balance	\$ 1,200.00
Deposit	\$ 0.00
TOTAL DEPOSITS	\$ 1,200.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE **\$ 1,200.00**

Report Submitted by:

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



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CONSERVATION BANK BOARD

415 South Pine Street
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Treasurer's Report

Community First Bank Account: *****183

Period Ending: February 28, 2013

DEPOSITS

Opening Balance	\$ 1,200.00
Deposit	\$ 0.00
TOTAL DEPOSITS	\$ 1,200.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT
AS OF PERIOD ENDING DATE

\$ 1,200.00

Report Submitted by:

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



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CONSERVATION BANK BOARD

415 South Pine Street
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Community First Bank Account: *****183

Period Ending: March 29, 2013

DEPOSITS

Opening Balance	\$ 1,200.00
Deposit	\$ 100.00
TOTAL DEPOSITS	\$ 1,300.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE: **\$ 1,300.00**

Report Submitted by:

Marvin Prater

Mr. Marvin Prater
Oconee County Conservation Bank Board Treasurer



OCONEE COUNTY
CONSERVATION BANK BOARD

415 South Pine Street
Walhalla, SC 29691
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Treasurer's Report

Community First Bank Account: *****183

Period Ending: April 30, 2013

DEPOSITS

Opening Balance	\$ 1,300.00
Deposit	\$ 0.00
TOTAL DEPOSITS	\$ 1,300.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE	\$ 1,300.00
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Report Submitted by:

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



OCONEE COUNTY
CONSERVATION BANK BOARD

415 South Pine Street
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Treasurer's Report

Community First Bank Account: *****183

Period Ending: May 31, 2013

DEPOSITS

Opening Balance	\$ 1,300.00
Deposit	\$ 0.00
TOTAL DEPOSITS	\$ 1,300.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE	\$ 1,300.00
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Report Submitted by:

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



**OCONEE COUNTY
CONSERVATION BANK BOARD**

415 South Pine Street
Walhalla, SC 29691
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Treasurer's Report

Community First Bank Account: *****183

Period Ending: June 21, 2013

DEPOSITS

Opening Balance	\$ 1,300.00
Deposit	\$ 120.00
TOTAL DEPOSITS	\$ 1,420.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

AS OF PERIOD ENDING DATE **\$ 1,420.00**

Report Submitted by:

A handwritten signature in blue ink that reads "Marvin Prater".

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer



OCONEE COUNTY
CONSERVATION BANK BOARD

415 South Pine Street
Walhalla, SC 29691
c/o Clerk to Council

Treasurer's Report

Community First Bank Account: *****183

Period Ending: June 28, 2013

DEPOSITS

Opening Balance	\$ 1,420.00
Deposit	\$ 0.00
TOTAL DEPOSITS	\$ 1,420.00

EXPENDITURES

Expenditures	\$ 0.00
TOTAL DEPOSITS	\$ 0.00

BALANCE IN ACCOUNT

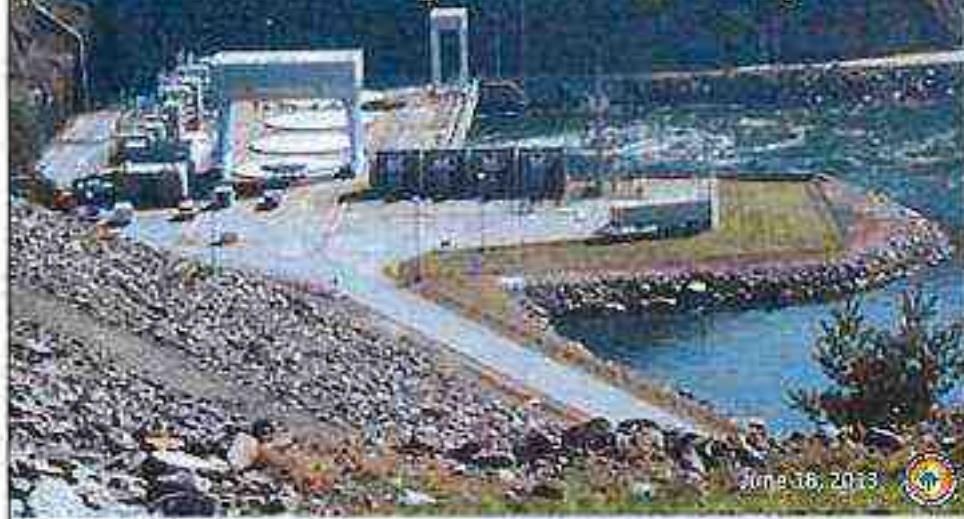
AS OF PERIOD ENDING DATE	\$ 1,420.00
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Report Submitted by:

Mr. Marvin Prater

Oconee County Conservation Bank Board Treasurer

Establishment of Consensus Level with the Keowee-Toxaway Project Relicensing Stakeholder Agreement in Principle



The Project

- The Keowee-Toxaway Project includes Lake Keowee, Lake Jocassee, and their hydroelectric facilities (Note: Oconee Nuclear Station and Bad Creek are licensed separately)
- Impacts of the project reach far beyond simply providing for electric generation capacity- economic development, recreational opportunities, water supply for our growing region, as well as enhancing a wide range of natural and cultural resources
- Virtually everyone in the region is touched by the impacts of the project in one way or another

Background: Relicensing the Keowee-Toxaway Hydroelectric Project

- Original 50-year license issued by Federal Energy Regulatory Commission (FERC) in 1966; expires in August 2016
- Duke Energy seeking 40-year license
- Utilizing FERC's Integrated Licensing Process (ILP) to develop application
- Stakeholders develop proposal for operating project under new license
- Non-binding Agreement in Principle (AIP) used as model for formal Relicensing Agreement (RA)

Effort to Develop AIP

- Stakeholder team composed of 40 representatives from 22 organizations
- Includes environmental/conservation organizations, local governments, homeowner groups, lake-area developers, water suppliers, Eastern Band of the Cherokee Nation, state resource agencies, federal agencies, and Duke Energy
- Began meetings in 2009, with document drafting initiated last year; AIP released May 17, 2013
- More than 10,000 person-hours to this point

Some Key Items in AIP

Note: Many proposals are conditioned on one or more parties signing AIP

- Normal Minimum Elevations:
 - Jocassee- 1096 AMSL (Full Pond 1110' AMSL)
 - Keowee- 796 AMSL (Full Pond 800' AMSL)
- New Low Inflow Protocol (drought plan) that reduces downstream flows, water supplier withdrawals, and triggers lower operating ranges for lakes
- Only in Stage 4 drought (worst conditions) are lakes allowed maximum drawdown (Jocassee 30', Keowee 10')
- Lake Keowee to be kept at or above 791.5' AMSL until usable storage reaches 12%, when no further releases downstream made

Some Key Items in AIP (Cont.)

- \$600,000 to Oconee County Conservation Bank
- \$10,000 annually for an environmental and anti-litter program in Oconee County schools
- A number of land conservation efforts in both Oconee and Pickens County
- Many upgrades to recreational facilities at lake access areas
- Rules changed to allow dock owners to 'follow the water' during droughts

Some Key Items in AIP (Cont.)

- Stabilization of erosion on nine Lake Keowee islands
- Creation of a Habitat Enhancement Program for aquatic and wildlife habitat
- More than \$1,000,000 in seed money for a Source Water Protection Program to maintain water quality
- Plus *many* other proposals

What Does Signing the AIP Mean?

- Primary members of stakeholder team sign to indicate their organization's level of support for what is contained in AIP.
- Those indicating consensus with AIP signify that, to their knowledge at the time of the signing, their organization will sign the RA; team members from supporting organizations will immediately begin work on developing RA from AIP.
- Those indicating a lack of consensus walk away from the process, with any AIP proposals conditioned on their support subject to not being included in the RA.

Expectation of Supporting Stakeholders

All parties signing AIP and RA are expected to support Duke Energy's application for a new license by:

- Submitting statements of support during comment periods set by reviewing agencies*
- Undertaking "reasonable efforts" to obtain necessary regulatory actions*
- Not supporting any entity attempting to delay or alter the terms of the new license from those set forth in the Relicensing Agreement*

Level of Consensus

The AIP utilizes a 5-point scale to indicate levels of consensus:

- 1** *.....complete consensus*
- 2** *.....strong consensus with minor reservation*
- 3** *.....moderate level of consensus with significant reservations*
- 4** *.....consensus with major reservations*
- 5** *.....lack of consensus ('walking away' from the process)*

Staff Request

It is the staff's request that Council formally establish the County's level of consensus with the Keowee-Toxaway Project relicensing stakeholder Agreement in Principle utilizing the scale described, and authorize the Chairman to execute a letter indicating the rating.

**Keowee-Toxaway Hydroelectric Project Relicensing
Agreement in Principle**

Revision Date: 05/15/13

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6.2.9 Nine Times Tract – If the SCDNR, Upstate Forever, South Carolina Wildlife Federation, and Pickens County are all Parties to the RA, the Licensee will provide \$1 million to Naturaland Trust to be applied to the purchase price of the Nine Times Tract (approximately 1,648 ac) so long as Naturaland Trust enters into a Memorandum of Agreement (MOA) with the Licensee no later than December 3, 2013, to comply with the use, management, and ownership requirements of the U.S. Forest Service Community Forest and Open Space Conservation Program and the following stipulations:

6.2.9.1 The Licensee's funding will be used only to help purchase the Nine Times Tract consistent with an extension of Naturaland Trust's existing purchase option. The Licensee will provide its funding after the MOA is signed by the Licensee and Naturaland Trust and not later than December 28, 2013.

6.2.9.2 Naturaland Trust will collaboratively develop a management plan (the U.S. Forest Service Community Forest Management Plan) for the property. The management plan will, among other things, provide significant opportunities for public access to the vast majority of the property and will allow for traditional recreational uses of the property, including but not necessarily limited to significant opportunities for public hunting for the term of the New License.

6.2.9.3 Naturaland Trust will invite the Parties to the RA to consult and have a meaningful role in the development of the management plan for the property. The initial management plan will be completed within 120 days after the acquisition of the Nine Times Tract. If the management plan is modified at any point during the term of the New License, Naturaland Trust will invite the Parties to the RA to review and comment on the proposed changes and Naturaland Trust will endeavor in good faith to accommodate reasonable input from Parties to the RA.

6.2.9.4 Naturaland Trust will maintain ownership of the property for the term of the New License or ensure it is transferred to an eligible governmental entity (as defined by then current laws and regulations) that will maintain it for the term of the New License consistent with the collaboratively developed management plan. If permitted under the U.S. Forest Service Community Forest and Open Space Conservation Program, the Nine Times Tract shall be made subject to a permanent conservation easement held by Upstate Forever.

6.2.10 Oconee County Conservation Bank – If Oconee County, Upstate Forever, and the South Carolina Wildlife Federation are Parties to the RA, the Licensee will provide \$600,000 to the Oconee County Conservation Bank within two years

following the issuance of the New License, the end of all appeals, and closure of all rehearing and administrative challenge periods.

6.2.11 World of Energy Picnic and Fishing Access Area – The Licensee will designate a trail for angler access to the Oconee Nuclear Station (ONS) discharge canal and the Licensee will operate and maintain the existing picnic and fishing facilities near the World of Energy for public recreation support. The Parties to the RA acknowledge this access area will be limited to day use only, and it may be closed at the Licensee's sole discretion without notice for security- and safety-related issues at ONS. The Parties to the RA also acknowledge this access area may be closed permanently at the Licensee's sole discretion at the end of the New License term, during the term of the New License, or if either the World of Energy or ONS are permanently closed.

6.2.12 Right of First Offer

6.2.12.1 Pickens County Tracts – If the SCDNR, SCDPRT, Upstate Forever, South Carolina Wildlife Federation, and Pickens County are all Parties to the RA, the Licensee will grant a Right of First Offer to SCDNR for the Jocassee East and Laurel Preserve tracts within three months following the issuance of the New License, the end of all appeals, and the closure of all rehearing and administrative challenge periods. The terms of the Right of First Offer will be substantially similar to Attachment F and will extend for the term of the New License.

6.2.12.2 Oconee County Tracts – If the SCDNR, SCDPRT, South Carolina Wildlife Federation, Oconee County, and Upstate Forever are all Parties to the RA, the Licensee will grant a Right of First Offer to SCDNR for the Bad Creek South, Jocassee Spillway, Licklog, and Dismal Creek tracts within three months following the issuance of the New License, the end of all appeals, and the closure of all rehearing and administrative challenge periods. The terms of the Right of First Offer will be substantially similar to Attachment F and will extend until December 31, 2027, for the Bad Creek South Tract and for the term of the New License for the remaining tracts referenced in this section.

6.2.12.3 In the event the SCDNR acquires a tract identified in this Section 6.2.12, the Parties to the RA acknowledge both that the Licensee is under no obligation to retain or lease or to restrict use of the lands identified in Section 6.2.12 as specified elsewhere in the RA and that no modification to the RA will be required.

6.2.13 Sassafras Mountain Observation Tower – If the SCDNR, Upstate Forever, Greenville Water, and Pickens County are Parties to the RA, the Licensee will