

Mark Oakley
Catawba-Wateree Relicensing Project Manager
Duke Power
Mail Code EC 12Y
PO Box 1006
Charlotte, NC 28201-1006

Re: Dissent Statement
Agreement-in-Principle
Duke Power, Licensee
Catawba-Wateree Hydro Project (FERC No. 2232)

Dear Mr. Oakley,

As the representative of the Town of Cornelius, a Stakeholder in this proceeding, and at the direction of the Cornelius Board of Commissioners, I am submitting this Dissent Statement in conjunction with the signing of the Agreement-in-Principle (AIP) at a Consensus Level of 4 (with Major Reservations).

The Town has worked in good faith to reach mutually agreeable terms for the interests of the Cornelius community, the Catawba-Wateree River Basin, and Duke Power (Licensee) and looks forward to signing a Final Agreement (FA) that achieves an equitable balance for all concerned. While the Town is satisfied with some terms, it cannot fully support it until significant concerns are addressed.

While the AIP addresses many existing and future issues, the Town is very concerned over explosive growth directly attributable to the Licensee's impoundments. While the north Mecklenburg communities of Huntersville, Cornelius, Davidson and Mooresville have benefited from the existing FERC licensure, the Town faces tremendous challenges in meeting the infrastructure, public safety, environmental, recreational, and cultural needs of our growing lake region. The population of the north Mecklenburg and south Iredell region currently exceeds 73,000 (not including the unincorporated areas) and is growing at a conservative rate of at least 3% per year. This is among the largest concentration of population along the river basin. Throughout this relicensing process, Cornelius has identified several items that would help fulfill and address the needs of these fast-growing communities.

Attached are Cornelius' Major Reservations to the AIP. The Town respectfully requests full consideration of these Major Reservations, and anticipates signing the FA with additions and revisions to its terms that reflect these reservations. As we enter the next stage of this integrated process, I encourage you or your staff to contact me so we may discuss these items and achieve resolution of appropriate terms for the Final Agreement.

Sincerely,

Andrew Grant
Asst. Town Manager

Cc: Carolyn R. Holsopple, FERC
Cornelius Town Board of Commissioners
Anthony Roberts, Cornelius Town Manager
Bill Brown, Cornelius Town Attorney
Vickie Taylor, Catawba-Wateree Relicensing Coalition

The Town of Cornelius presents the following Major Reservations to the AIP:

- The AIP/FA (Final Agreement) should include the Licensee's provision of:
 - A Lake Endowment Fund - Sustained funding for special annual projects on Lake Norman and Mt. Island Lake (to be utilized by Marine Commissions, Law Enforcement and Auxiliary Agencies, Cove Keepers, Environmental and Wildlife Resource Groups, Governmental entities, etc.); \$10 million Licensee endowment that would allow for known and unanticipated current and future needs.
 - A watercraft (fireboat) to fulfill the fire/rescue-related public safety requirements for Lake Norman.
 - Lakefront property acquired for the identified Lake Cornelius Fishing Pier.
 - Operational funding during license term for Marine Commissions of Lake Norman and Mt. Island Lake – dedicated for safety and navigational markers and aquatic weed (Hydrilla) management (Lake Norman Marine Commission).
 - Increased clean-up efforts on island and lake areas from the current AIP-proposed annual clean-up event to at least two events per year.
- Generally, the environmental, recreational, and cultural needs of the north Mecklenburg community are not fulfilled by the AIP. The following are projects that the Licensee should either provide or fund, as relevant, in the AIP/FA:
 - Lakefront property and its development for wildlife conservation (environmental center, viewing trails) and recreational use (handicap-accessible fishing pier) – Vacant 1.66 acre property located at 18510 Nantz Rd. owned by Crescent Resources (a subsidiary of Duke Energy).
 - Cultural Arts Center development (none exists in this area) - identified on Parks and Recreation Master Plans for Mecklenburg County and Town of Cornelius.
 - Lake access public swimming development (none exists in this area) at either Jetton Park or Ramsey Creek Park.
 - Shoreline Stabilization - erosion mitigation at Jetton, Ramsey Creek, and Blythe Landing Parks.
- Cornelius cannot agree to the censorship clauses of Section 16 (Miscellaneous Agreements). If there are positions that are in conflict with those identified in the FA and/or that add substantial burdens, costs, or risks to the Licensee beyond those identified in the FA and/or that are reopeners of any kind beyond those identified in the FA and/or are not agreed upon unanimously by the FA

signatories, then Cornelius shall have the right to consider and support those positions.

- Cornelius cannot support the term for the New License identified in the AIP (“no less than 40 years and no more than 50 years”). Rather, the Town will support a term of 30 years.
- Cornelius makes note that all items of Section 17 (Additional Topics to be covered in the FA) are absent from the AIP. The Town cannot evaluate a decision to sign the Final Agreement with an entire section missing, including, but not limited to, topics such as handling future FA amendments and actions if the Project should ever become unlicensed.
- Shoreline Management Plan (SMP), Attachment L, should be revised in the FA to address the following:
 - The SMP should clearly delineate the entity responsible for enforcement. The Governmental unit should be responsible for buffer and viewshed (land-specific) regulations. The Licensee should be responsible for pier zone, boat size, and viewshed (water-specific) regulations.
 - Docked boat size should be regulated by the Licensee to mitigate non-conforming issues with viewsheds (blocked by boat) and pier zones (boat overhanging pier projection lines). Size to be determined by linear feet of shoreline per lot.
 - The revised SMP will create many non-conforming structures and future development hardships, and should be revised by the following:
 - Duke Power to provide public notification of changes in the SMP and the relevant and potential impacts to property and structures.
 - Permit a maximum number of commercial slips relative to developable area (strike language referring to 200-slip maximum).
 - All new commercial marinas should be permitted on a case-by-case basis (strike language referring to distance requirements).
 - Allow common access boardwalks in Residential Marina Facilities (proposed language prevents this).