

## Pete Petree

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**From:** Pete Petree <pete@highrockers.com>  
**Sent:** Wednesday, March 08, 2017 1:29 PM  
**To:** 'Karen Baldwin'  
**Cc:** pete@savehighrocklake.org  
**Subject:** RE: FERC License questions

Hi Karen,

Thanks for your prompt response to my questions.

In reviewing the license further it appears Cube Hydro has several significant tasks that must be completed within the first six months to two years of the license being issued.

1. Article 303 – Six months to file the plan and schedule for the upgrade of all the turbine/generator units covered by the license and 4 years to complete the upgrades.
2. Article 404 – One year to file a updated Rare, Threatened and Endangered Species management plan.
3. Article 405 – Two years to submit a updated Transmission Line Corridor Management Plan.
4. Article 406 – One year to submit a updated Recreation Plan
5. Article 407 – Two years to submit a updated Shoreline Management Plan.

Obviously our group is primarily concerned with the activities surrounding the Recreation Plan and Shoreline Management Plan revisions as those components directly impact adjacent property owners and the public at large using the project for recreational purposes. The changes proposed to these plans and already approved by all agency representatives and affected stakeholder groups have already been clearly documented in the Relicensing Settlement Agreement which was completed more than a decade ago. It should be relatively easy to incorporate those changes into the first Draft of each plan along with the list of licensee specific updates identified by FERC in Article 407. This should allow Cube to create the initial Draft documentation for both of these plans in relatively short order and jump start the process of creating and submitting updates for the two plans most directly impacting the general public.

With a Project License issue date of September 22, 2016 the first of those tasks will be due in the next couple of weeks leaving only eighteen months to complete all of the remaining tasks. As those of us involved in the four plus year relicensing process know, completion of these tasks can require lots of planning in order to coordinate all of the activities, schedule meetings with identified stakeholder groups and agency representatives, create Draft Documentation for each plan and provide a an appropriate review and comment period for these documents . Then all of the documentation must be finalized and submitted to FERC with additional review and comment periods before a final order of acceptance might be issued. You stated at the meeting that the Cube Hydro staff was very small and appears to consist of only Ms. Johnson, Mr. Gross and yourself. We are genuinely concerned about any potential for delays in the completion of any of these tasks as we have already endured a ten year delay in the adoption of many changes that were negotiated in good faith with all affected stakeholders. It appears there is a significant amount of work to be completed within the required timeframe by the CEO, VP of Hydro Operations and one Property Compliance Supervisor. We will be glad to offer any assistance we can in the form of communications with identified stakeholders to hopefully expedite the process if possible.

Based on the information in your response, the obvious subsequent questions would be:

1. Has Cube developed a plan to address the updates required to the SMP and the Recreation Plan as identified in the license?
2. Has a time table been established for all the activities required to complete the updates to these two plans?

Thanks

Pete Petree  
Chairman of the Board  
SaveHighRockLake.org

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**From:** Karen Baldwin [mailto:kbaldwin@cubecarolinas.com]  
**Sent:** Monday, March 06, 2017 11:59 AM  
**To:** Pete Petree <pete@highrockers.com>  
**Cc:** Karen Baldwin <kbaldwin@cubecarolinas.com>  
**Subject:** RE: FERC License questions

Pete, it was good to see you at the High Rock River Rats monthly meeting last Thursday. Thanks for sharing Cube's March 1, 2017 letter regarding ongoing implementation of the Yadkin Project Shoreline Management Plan (SMP) on your [www.SaveHighRockLake.org](http://www.SaveHighRockLake.org) website.

Per your request, I reviewed Articles 407 and 409 of the new Project license, and offer the following additional information. Article 409 is FERC's "Standard Land Use Article", which FERC includes in all license orders; it is not intended to be Project specific and is subject to other specific license conditions. This standard article gives the licensee authority to act on relatively routine shoreline matters without Commission approval and to permit specific non-project related uses. This standard article was Article 35 in the Project's first FERC license. In fact, the Yadkin Project SMP was developed based on this authority granted by FERC in the license.

Article 407 is Yadkin Project specific and requires the licensee to continue implementing the SMP as modified and approved by the Commission (FERC) in 2000. The current SMP must remain in effect until FERC approves a revised SMP, which is also required by the Article.

In summary, Article 409 allows Cube to permit private recreation facilities, for example, without prior Commission review or approval, but the Yadkin Project SMP supersedes that as it establishes criteria and a process for permitting private recreation facilities, which FERC approved in 2000. Cube is not able to change these criteria or process until FERC approves a revised SMP.

Karen

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**From:** Pete Petree [<mailto:pete@highrockers.com>]  
**Sent:** Friday, March 03, 2017 2:23 PM  
**To:** Karen Baldwin <[kbaldwin@cubecarolinas.com](mailto:kbaldwin@cubecarolinas.com)>  
**Subject:** FERC License questions

Hi Karen,

I have updated my news page on the SaveHighRockLake.org web site to include a brief update on the meeting last night as well as my questions concerning what I perceive as conflicting information concerning Articles 407 and 409 of the new license and the requirements concerning the SMP. Instead of retyping it all you can just go to <http://savehighrocklake.org/news> and see it there so you will also have access to all of the referenced documents.

Thanks,  
Pete Petree