

SALUDA HYDROELECTRIC PROJECT RELICENSING
FERC Project No. 516
Quarterly Public Meeting
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Randy Mahan, South Carolina Electric & Gas Co.

Comments and Questions from the Public

PUBLIC QUARTERLY MEETING:

MR. ALAN STUART: I want to welcome everyone to our quarterly public meeting tonight. Tonight we are going to give a presentation on the land rebalancing proposal that has been going on within the Technical Working Committee. Just a couple of items, I ask that you write down your questions and save them till the end; it seems to make the presentations go a lot smoother, and I think a lot of questions are answered before you have to ask them. Basically the agenda, there will be a time at the end for additional comments on any matters pertaining to the current relicensing. To give you a little background, the land proposal that was developed was a joint effort within the Technical Working Committee. The Technical Working Committee was made up of about twenty individuals representing State/ Federal, Resource Agency, National Organizations, and Homeowners Group. We convened over forty meetings, generating in excess of 225 pages of meeting summaries, over 1100 e-mails, and extended over 7000 man hours. It has been a long work put into this Lake and Land Management Technical Working Committee. With that, I am going to ask Randy Mahan to come up, and he and Tommy are going to go through the presentation kind of together. Randy.

MR. RANDY MAHAN: Good evening. We are really appreciative. Let me introduce myself first. I am Randy Mahan, I am Associate General Counsel for SCANA Corporation, and I think they asked me to be involved because I have got gray hair and I have been involved with Lake Murray for about thirty-two years. And I have a little bit of a history in my head, and I am going to try to give you just as brief amount of history, give you a little bit more background. But I want to thank you for coming. We did kind of have to set this meeting a little earlier than we have in the past because the anticipation was because of the subject matter we might have a lot of questions and we wanted to be sure we had enough time at the end to answer all the questions, and give you whatever additional information that's necessary. The topic that we have for this evening's discussion is called "Rebalancing of Project and Non-Project Lands". FERC Project 516 is known locally as Lake Murray. And rebalancing is a concept that we began hearing about a number of years ago in comment letters were received from resource agencies when we asked to sell property and in responses that we get from the FERC to those requests. The idea being - especially since 1989 with the passage of what was called the "Electric Utility Protection Act"; which redefined the role, the objective, of hydroelectric project to go beyond just the generation of electricity; and defined it statutorially to include recreation, environmental protection, some flood control, and other things that weren't necessarily concerned and considered to the same degree as they have to be now.

So, the idea was that we would take a look at our resources around the reservoir, the licensed project, on a going forward basis; recalibrate how we dealt with the resources. Rebalance, as it were; not everything is for electric generation; not everything is for recreation; not everything is for fishing; not everything is for this. But we had to try to balance going forward. And that's what we tried to do. I hope when we get to the end of this presentation you will conclude that these thousands of hours of man hours, and the many pages of texts, and so forth, weren't wasted effort; that we have done a pretty good job on this.

Let me step back a minute and give you a little bit of history of how we got to where we are. Back in the early 1970's the FERC, at that time called the Federal Power Commission, initiated an action. They initiated a hearing, as it were, to consider how Lake Murray might be managed. We were the first hydroelectric project regulated by then Federal Power Commission. Happened to be in the right place at the right time, some folks might say the wrong place at the right time, to get the attention because we had a development going on on the Lake up there called "Watergate", Land's End at Watergate. And someone had filed a complaint saying, "We think that the Lake is taking a hit environmentally. We think it needs to be some management going on." And about this time the Federal Power Commission was looking for the same issues on reservoirs across the nation. So, they created --- they initiated this Docket E-77-91. Started in about 1972/73, I forget which. But I do know we didn't we didn't get an Order in this thing until 1979. So, for six or seven years we went up, "we" South

Carolina Electric and Gas Company, I worked with them at that time, went up to Washington, had a Hearing. And at the Hearing, after hearing, they looked at things such as the water quality, development around the Lake, and how it was impacting the other uses that people might want to have on the Lake. Okay? And as a result of that, we did get an Order in 1979, a Final Order 1980 requiring SCE&G - the first in the barrel, isn't it wonderful to develop something called a "Shoreline Management Plan." And that's where all this came about. And we had a kind of a rudimentary plan to start with, although it was pretty good; and it's gotten changed over the years, it's gotten better, it's gotten tighter, it's done more of what we think the objective is in this thing called rebalancing. Okay? And that's what we try to do. It is the idea that we want to try to balance going forward, we can't put the toothpaste back in the tube in terms of property that has been sold down to the 360, the high water mark, and developed. Okay? But we certainly can look toward the property that we still own, and may sell or may do other things with in terms of how we deal with it. We also look at how we manage the activities that we have the ability to control around the Lake through our dock permitting program. That's really the hook that we have that most people recognize gives us some authority with what they might like to do around the Lake; so we can bargain a little bit, "If you want a dock permit, you need to do this, you need be responsible in this way," and so forth. So, that's what we are all about. But again, there was recognition that once upon a time we had the ability to sell property, we sold property as we could, and by the time 1973 came along we had sold about 2/3rds of the property - and that's a rough number - down to the 360, or the high water mark. So, we needed to kind of stop, take a look, and see on going forward, basically of how we need to deal with what's left. And that's what this was about. What we have proposed to do, and this is SCE&G's proposal; it's a proposal that was developed in consultation with all these organizations you heard mentioned. And I will tell you that the discussions that we have had have been open, frank, at times high energy, at times with frustration, at times with laughter, a few angry words. But we have always - and I think everybody who participated in it has had the objective of trying to make recommendations and try to think about how we could make the resource better going forward. And SCE&G, of course, we took care of our interest as we could to be sure that we could still generate a little bit of electricity and get some utility benefit out of it. So, here comes the difficult job of balancing; and that is what we are trying to do here.

What we propose to do very high level is to protect from residential and commercial development, about 9100, almost 9200, acres of the property; and about 185 miles of the 650 plus miles of overall shoreline around the Lake. Current project lands are classified, reclassified. And by the way, we can only classify property that we own; we can't classify your private property that you own behind what we own, and near what we own. But we can classify; and reclassification is for the purpose of determining how we are going to deal with that property. And the two main categories that we are dealing with here today are future development property; that is property that SCE&G currently has and owns between the high water mark and the project boundary line. Okay? That we have in this classification for potential sale - potential sale. You know, SCE&G is not a real estate development company; we don't go out there and try to do this. But, if people who own the property behind want to buy it, if it is future development classification, then we have the intent or the ability to sell it under this classification - currently. And then we also have the classifications for recreation, have classifications --- and I think we will get to that in another slide here in a minute or two. Okay. We have recreation, right to project, and non-project land that we are going to deal with as well. We have property that is within the project boundary line and we have property outside that we want to involve in recreation. Okay? And we have a management plan for this future development property. And that's really the key, and Tommy will tell you, give you some detail about that in terms of managing things. The future development property is really what we are talking about. Some folks have gotten information, maybe incorrect, that if they already own down to the 360, they own the property, and somehow we are coming back and going to impose some new regulatory scheme on them. That is not the case. We are only dealing with the future recreation --- I mean, future

development property, that's property that we still own. Okay? That's the only thing that we can deal with.

And then we are also going to talk about the Lower Saluda River. The Lower Saluda River for years, a long time, kind of got the short script. The FERC didn't look at it, they didn't pay much attention to it. Okay? And quite frankly, we didn't pay a lot of attention to it; the attention we did pay to it, by the way, was to make that property that we owned along the Lower Saluda River - a portion of it - the first stretch of state scenic river property in the State. So, we didn't do bad things, we just didn't pay a lot of attention to it. But we are doing that now. Okay? Rebalancing. Tommy, is this where you get up? Future Development? Where did we start?

MR. TOMMY BOOZER: Good evening. My name is Tommy Boozer, Manager of the Lake Management Department for SCE&G. Tonight we are going to talk about a number of things. And the presentation this morning took about two and a half hours, but I think we can make it a little shorter than that. But, we are going to go through and we are going to be talking about a lot of different things, and some numbers, and some charts. But one thing I want to make sure that everybody understands this: this presentation is kind of a condensed presentation that we did awhile back because we wanted to make sure we hit the high points, but it was kind of a lengthy presentation. But it will be on our website tomorrow. And so, we will have this one, the shorter version, and also the longer version will be available tomorrow on the SCE&G Relicensing website. So, if you want to go back and review anything that we talked about tonight, that information will be available for you on there.

We are going to talk about rebalancing over the years when doing any kind of update or revision of our license, and we have periodically had five year reviews. The biggest issue we had with resource agencies and a lot of the other lay groups, and also FERC, is rebalancing. And so we are going to talk about this is SCE&G's proposal for rebalancing of Lake Murray of the main future development properties that SCE&G owns. Like Randy said, this does not apply to any other property except there is 91 miles that SCE&G still has in the future development classification. Out of that 91 miles, I will explain to you in a minute how we are going to reclassify some of those properties; but it doesn't apply to people who are already down to the 360; it doesn't apply to people who already own -- where they have been issued buffer zones that was established in 1984. This will be on any future landfills that we have. Like Randy said, when we first started on this project we came in and classified all of SCE&G's property. This was done really in the middle to late '70s. And we came up with the management prescription. And to go through the management prescriptions here, 75 foot setback. The 75 foot setback didn't come into play until relicense time, new license in 1984. Until 1984 when SCE&G sold land - and like Randy said, land from the PBL down to the 360, or high water mark, that is what we call fringe land. We were able to sell it all the way down to the 360; but the new license prohibited that and required SCE&G to retain a 75 foot buffer zone. So, the property that you are looking at with this 75 feet, the 263.77 acres is the acreage that SCE&G has sold since 1984. And that's 29 miles. The other classifications are causeways, there are a few causeways around; commercial recreation. The four classifications we are going to be working with tonight is going to be natural areas, forest management, future development, and recreation. Those are the four that you are going to see more of tonight. But the natural areas right now, there are 42, roughly 42 acres, and 1.5 miles of shoreline. Easement property, that's the property that was already sold down to the 360, and people own to the 360. Easement with 75 foot setback, that is the property that is behind the setback, and of course would not have any acreage to that because it's behind the setback. Forest Management, forest management that's a classification that we have got. We have got some larger timber tracts that we put in forest management. And most of these are up in the upper end of the Lake, and those are in a protected classification, forest management classification. Future Development, right now existing we have got 1818 acres, and we have got roughly around 90 to 91 miles. And that's what we are going to be talking about. That's where the rebalancing is coming from. Everything else has changed because the property will be taken out of

the future development classification. Project Operations, that's around the Dam and the Power House. And Public Recreation, public recreation right now, we have got 765 acres and 37, almost 38, miles. This is the base line right here. And then we will go from here and we will show you what we are proposing from here. The classifications that I mentioned to you earlier: natural area, forest management, recreation and future development, what SCE&G is proposing in this rebalancing is to increase the natural areas to 464 acres, and 21 miles. I am going to round these numbers off, y'all can see it's a little bit easier for me to say it in whole numbers. Forest management is going to be 206 acres, and 9.46 miles, almost 9 1/2 miles. And recreation, 189 acres, and 9.26 miles. So, when you add those three together, you have got 859 acres that we are reclassifying; and 39 miles of shoreline. That's 859 total is coming out of the future development. All right, then the future development right now will end up being 958 acres, and 51 miles. If you remember what we said earlier, the total was 1818, and 90 miles. The new what we are proposing in the future development will be 51 miles. So, we are taking roughly about 40 miles and putting it in a protective classification, or putting it into recreation, or putting it into a natural classification. All right, this kind of gives you a comparison right here in acres of what we are proposing, what we have current; if you look at the setback, it's 260, 377, that stays the same. Causeway stays the same. Commercial rec stays the same. Natural areas went from 42 to 506. Easement stays the same. Easement with setback stays the same. Forest management went from 3570 to 3776. Future development went from 1818 to 958. And then public recreation is going --- project operation stayed the same. And public recreation is going from 765 to 955. So that's 40 miles we were talking having in the acreage, that's where it is being distributed. In miles, you can kind of see where the miles are. 75 foot stays the same; get back to your natural area, it's gone from 1.5 to almost 22 1/2. Forest management has gone from 100 to 109. Future development has gone from 91 to 51. And public recreation has gone from 37 to 47.

Okay, we are going to talk a little bit about recreation. Some of these lands that we are talking about coming out of this future development will be in recreation. And we think this will be pretty good for the Lake. What we are going to talk a little bit about is recreation. We have got our existing recreation, the parks that exist today, and people are using them, and they are out on Lake Murray right now, some of them on the Saluda River. The existing future parks, these are sites that SCE&G has put aside back in the mid-'60s, and put these properties aside for recreation, and they are just sitting there. And, you know, if the public wants the shoreline, or whatever, but right now you are sitting there; and sometime in the future they will be developed. But right now we just have got them in the protective classification for recreation. The islands exist, and then we go to the existing Lower Saluda Park. And then we talked about new future recreation sites on Lake Murray. And we talked about sites that's going to be inside the PBL and outside the PBL. And I will explain a little bit of that when we get there. And then we have got the non-project timber tracts that we are looking to put in some type of protection classification.

This is our existing parks, these are the parks that - like I said - are 14 of these parks; they are in existence, they are around Lake Murray, different places. They total 412 acres, and we have got almost 15 miles of shoreline. This is already in place and on the Lake. This is the existing sites. We have got 10 of these sites, 252 acres, about 9 miles of shoreline. These are the ones that have already been classified as recreation, and just there for potential recreation development in the future. We have got 62 islands, which is about 100 acres, about 13, almost 14 miles of shoreline. We have got the Lower Saluda, we have got 3 areas on the Saluda River that exist. We are in one of them right now, which is Saluda Shoals. It's got 160. Saluda Shoals is bigger than 160 acres, but 160 acres is what SCE&G leased to the Irmo-Chapin Recreation Commission to help develop this park. They have bought some other property, but it's a little bit bigger. I think it's about 240 acres. But 160 of them is what SCE&G leased them. And then we have got the Saluda River canoe portage which is off of Gardendale. And then we have got the Hope Ferry landing. So we have got a total on the Saluda River of

165 acres, and 1.3 miles on the Saluda River.

And future recreation sites. These are the sites that SCE&G is proposing to make available as part of our recreation plan. There are 13 sites; 8 of them are new sites, and 5 of them are an extension of an existing sites. And so, we can go to --- when you go on the website, we have got an aerial photograph of each one of these sites, we have the acreage and the location, and everything. But for right now, you can look at the acreage right in here. We are talking about two things on this slide. We are talking about property inside the PDL and outside the PBL. So, we are proposing to add property that is outside the PBL, which is not inside the project and under the jurisdiction of the Federal Energy Regulatory Commission, 650 acres; and inside the PDL will be 250 acres. And that is going to be almost 10 miles of additional recreation that will be available for the folks on Lake Murray. And the total proposed acreage total 908 acres.

This is an example right here of Sunset, it's in Newberry County. If you look at it right in here, this is Sunset, this is off of Hollings Landing Road. Right here is the original park, and it was Sunset, and there is 2.3 acres, that's 640 feet of shoreline. And what we are proposing to do is to add another 7.88 acres inside the project boundary line, which you see the parcels right here. And also, add 22 acres that's outside the project. So this park is going to increase it, you know, almost 31 1/2 acres. And the property that we are proposing outside the project is part of the relicensing, will have to be brought into the project. So, all of this will be inside the project for a total of 31 1/2 acres. And if you look right there, it's almost 3000 feet of shoreline.

This is one that is on the Lexington side. This is Rocky Creek. This is the proposed State Park. If you look, the Saluda County line kind of cuts somewhere about right here, a portion of this may be in Saluda County right in here. But if you look at this, we have got 102 acres inside the project boundary line, which is the little line that goes right through here. And then we have got 546 acres outside. The larger parcels that surround this that we are putting into the State Park. We are going to have a total of 648 acres at this park, and right at 5 miles of shoreline. So, this will be a State Park on the Lexington side, which this is right at the Saluda County line where it's going to be. And we are working with PRT about what some kind of plan, or what they would do. There is no plans in the immediate future to do anything with this; it will be, you know, out in the future five or ten years before this is developed.

Okay, for the summary here, we have got the existing recreation 412, we have got existing future 252, and then the islands 100, Lower Saluda River site 165. So, we have got 930; and then when you add in the new recreation that we are talking about 853, and 55 on the Lower Saluda, we have got 1839 acres that will be in recreation, and right at 49 miles. One of the things I like to mention is, when we talk about the recreation, Lake Murray is really fortunate. We have got Billy Dreher Island, which is 348 acres and 12 miles of shoreline; it's one of the nicest state parks in South Carolina that SCE&G leased PRT back in, I think, was '69 or '70, 348 acres to develop Billy Dreher State Park. Where we are right now, we have got Saluda Shoals Regional Park. Then we are proposing the rights to Tree (phonetic) State Park on the Lexington side, which has got 648, and 5 miles of shoreline. And also, Bundrick Island. And Bundrick Island is in our recreation classification, but there are no plans of doing anything with Bundrick Island. Right now it's just in the recreation classification, and it's going to stay there.

We are going to talk a little bit about the land that SCE&G owns on the Saluda River. Like Randy mentioned a little earlier, we do have a scenic river easement. We entered that with DNR about 1985, and basically it's 100 foot wide on all the company property along the River; and then we have got some other tracts that we are proposing to do some reclassification. SCE&G owns 14 tracts on the Saluda River, and all of these are inside the project boundary line. The tracts compose 275 acres, plus the 45 acres that's already in the

100 foot setback. So, we are looking at reclassifying these tracts of land, which is a total of 320 acres into recreation. And we have a map right here, and if you get a chance come up and look at it. You can see the park --- the yellow park is at a park that we have got over here, and propose to --- this is Saluda Shoals right here, this is Twelve Mile Creek, which is part of our future recreation that we had up there; and then this one right here is

(inaudible). So, these little tracts will be protected doing the recreation along the Saluda River. This is just a list at the top. And basically at the end we will have 540 acres of protected shoreline --- or, property and roughly about a little less than 6 miles of river front. Okay, so this is just the same slide that is over here on the hard copy on the wall.

All right, also SCE&G has some larger timber tracts up in the north end of Lake Murray, up around the Big Saluda and Little Saluda. And what we are proposing to do with these 24 tracts that total 2754 acres, we are proposing to enter into a lease agreement with the South Carolina Department of Natural Resources and lease these tracts, and maybe put them under the WMA Program. These tracts will be leased for the term of our license. If we get a 30 year license, it will be for 30 years; if it's a 50 year, it will be a 50 year. And there will be a lease. These tracts will be --- you know, DNR will be monitoring these tracts. They will be open for the public. Hopefully they will provide some recreation and some hunting opportunities for the folks. But, that is almost 3000 acres of property up there. And this is just a list of the sites and also kind of the size of it. The biggest one is the Coleman tract, and it's 756 acres. But, I will show you, I have got some slides showing where some of these. This is Billy Dreher Island. Some of the areas over here. This is Rocky Creek right in here. This is Little Saluda, so you can see. Most of these, all but one or two of these tracts, butt up to the PBL on SCE&G property. These are just some back tracts that we have. You know, this is an isolated tract right in here that doesn't touch the PBL. But most of these would touch the PBL. One of the things that DNR is requesting is because of some of the development going on, we are losing a lot of our water fowl, hunting opportunities. And so these tracts kind of help people have the areas that they can go and hunt. This is the Big Saluda.

Okay, we are going to talk about the rebalancing to kind of summarize what we have talked about. This is natural areas that we are talking. Natural areas are 506 acres, forest management is going to be 3776. And recreation is 955. Non-project Land, that's a project we will be bringing in to expand these recreation facilities, is 658. And the Lower Saluda River is 540. And then we have also got the 2756 acres that will be leased to DNR. So that comes to a total of 9190 acres. And that was the total that we started out with. We wanted to start out with the totals and then look back into them where everybody kind of --- where we came from. Also in this, the same figures that we added up comes up to a total of 185 miles of shoreline that will have some level of protection. Some of it will be left in natural, some of it will be put in forest management, some of it is going to be in recreation, and so it will have some level of protection. So, that's kind of our proposal for rebalancing, and how we are rebalancing the property, the recreation, the natural, the forest management.

But now we want to talk about the 51 miles of shoreline that is remaining in future development. And remember this plan - and I said this today, but this plan only applies to SCE&G's future development property; it doesn't apply to anybody else's property other than SCE&G. And it only applies to the 51 miles that is left in future development. So, to go over a couple of things, during the meetings like Alan had about all the e-mails, and hours and stuff, we spent a lot of time together going over this, and talked about a lot of different things. But out of this, we will listen, and a lot of people made some recommendations, and so we wanted to make sure we incorporated a lot of these recommendations in our plan that we are proposing. Some of this I have already explained what we are going to do as far as incorporating some of the recommendations.

But, some of the recommendations, we have increased lot size, more for slip docks and move individual docks, non-disturbance buffer zones, establish a full 75 foot buffer zone, establish natural areas - that is one thing that we have done, you have seen that with the chart, restrict development within the PBL, protect additional forest management and recreation land. We have done that. Managing remaining future development property under the restrictive and protective plan. We will get to the plan and I think we have accomplished that, also. Dock policy for forest management land. Some of the property that we have got in the forest management classification, there are some back property owners who have large tracts, and we have never permitted docks on forest management property. But we have come up with a plan that is real restrictive that would allow one dock on forest management property if they meet certain conditions. And so, that is something new that we considered in the committee, we did it and we came up with a plan. And it is also on our website if you would like to see it. Support hunting by participating in the South Carolina Department of Natural Resources Wildlife Management Program. We hope those 24 tracts that we are going to put in there will provide some hunting opportunities. State Park on the Lexington side, that is going to be the Rocky Creek facility. Protect property on the Lower Saluda River. Those are the larger tracts that we were talking about, plus the additional recreation that we'll be putting in on the Saluda River. Provide additional recreation opportunities on Lake Murray and the Lower Saluda River. Update and improve existing parks. That will be part of the relicensing process. Remember the first line I showed you about recreation at existing parks? All those parks are being re-evaluated right now. And so, we'll upgrade some of them; a/d/a some of them, proposing restrooms, different things like that. But that will be some improvements that we do to these parks on a scale probably within the first five years or something like that, once we receive our license.

Now, we are going to talk a little bit about the plan. This will be how we would manage that property, the landfills and dock permitting. This only applies to the remaining SCE&G owned future development property on Lake Murray. Allows SCE&G to continue with fringe land sales. Reflect the agency and committee interest, and promote protection of the environmental and scenic values of the project. We will kind of go through these things and talk about it individually. Plan, we keep the current 75 foot setback. That's a requirement by FERC that we have got to put in there. Allow the sale of fringe land greater than 75 feet to the back property owner with deeded restrictions. I will explain that in a few minutes with some charts that we have. Maintain environmentally protected deed restrictions for all purchased fringe land. Non-developed vegetation management restrictions including an inch deep. Purchaser will acknowledge their understanding of the deed restrictions before being granted permit to shoreline amenities, such as a path or a dock; and permit shoreline amenities would continue to depend on all other conditions that we normally have for permitting docks. Okay, establish a uniform 75 foot non-disturbance buffer zone. Right now we talked about the PBL, the project boundary line, in the 360. It varies in width and depth. Some places it might be 250 feet, some places it might be 50 feet. What this plan is trying to accomplish is to have a uniform 75 foot setback. And in doing that what we are proposing to do some exchanging here for the back property owner who has less than 75 feet in depth to the 360 contour will be required to deed SCE&G so much of their property creating uniform 75 foot buffer zone. This only applies to anyone who purchased property who wants to purchase the fringe land and/or have less than 75 feet. It might be, you might have 70 feet and you may have to give up 5 feet. It just depends on the location. But that way, in doing that we create this 75 foot, get a wider buffer zone which is something that all of us are interested in creating. And in exchange we would permit them a dock on that property. The multi-slip docks will be required in lieu of individual docks in appropriate circumstances. What we are looking to do on this remaining future development property is have multi-slip docks instead of individual docks. We are just going in the program, we have got a permit process to individual docks, common docks, and community docks. So, we are not saying you can't have them; but what we are saying is if you have got a larger tract of land, we want to see it in some type of multi-slip. That way all your activity is in one location, and the rest of the shoreline is left

undeveloped and without docks. And this is something that has been real important to a lot of the agencies and everyone; when you look at this it's kind of something that a lot of the lakes are doing right now trying to consolidate the impact to the shoreline in one area. Also, in order to qualify for a dock you would have to have 200 feet on the PBL, which is the project boundary line. And for each 200 feet we would grant the developer, or whoever, 1 1/2 slips per lot. And I will show you an example of that. Also, would be one 10 foot wide meandering path, would be allowed to the buffer zone and to the dock.

This is an example right here, I will walk you through this. We will start at the Lake right in here. This is the 360 contour. All right, this is the 75 foot setback. This area right in here, SCE&G would still own. We cannot sell that. This would be a non-disturbance area, and we would allow a 10 foot wide meandering path going through here. This is the dock right here. All right, this property right here is the property from the 75 foot setback to the PBL. That's what the back property owner would purchase. When he purchased this property, he would understand that his deed restrictions, non-developed, no-structures, and we will allow limited brushes in this area right here. All the houses and everything would have to be behind or right up to the PBL right here. And so, if you look at this is an example of 800 feet; so, you have four lots that could be back in here. In the four lots you would have four slips and then you would pick up another two slips because of the half one that we added; so, it would be a total of six slips in this facility right here. You would have four for the property owners, and then have a couple for visitors or just have two spare slips. So, that is what we are proposing on this one.

Common docks. Common docks qualify for a common dock to be shared by two single family dwellings; would have to have 150 feet each. And what the goal here, if you look back on the recommendations, we are trying to have bigger lots, trying to get more separation between the docks. And so, that is what we are trying to accomplish on this. This would be a common dock scenario. Everything else is the same. You know, you have got 360, you have got your non-disturbance, you have got your area right in here that would be sold with the deed restrictions. And if they have got 150 feet right here, they could share a dock coming down here. And it would be a standard type dock, 12 x 20 with a walkway, a stationary walkway or a gazebo there. But we are looking at getting them 300 feet apart. Right now on Lake Murray on the easement property, all you have got to do is have 100 feet in order to get a dock. That's not saying --- now, I have heard a lot of people say, "I heard you was going up to 150 or 200." No, if you have got 100 foot lot, you can still qualify for a dock lengthwise, but then there are other conditions we would have to look at, too; whether vegetation of whatever we would have to assess when we go there. But this would get them if we had common docks, you know, they would be 300 feet apart. And the reason we are looking at the common docks and the individual docks, to qualify for the individual docks you have got to have 200 feet; and if the land is less than 400 feet, then we can work with you on a individual dock; if it exceeds 400 feet, then you would be required to participate in a multi-slip dock. But that's not necessarily --- that's the way we are looking at it. But what if somebody comes in and they have got 1000 feet and they only want to put one dock on it? They don't want a neighbor, they own it, we will issue them one dock. I mean, we have got to be a little flexible on how we work this with the public. Also, the thing to look at is, if you look at the fringe land around the Lake, it is real fragmented and you have got a lot of little fringe land areas that are not but 100 feet, 200 feet, 300 or 400 feet, where somebody could go in there and maybe if you have got 300 feet, he could cut it up into two lots and have a shared dock. So, that is why it is important for us to keep the shared docks and the individual docks because it's going to be places that if we don't have that they are not going to be able to have a dock. And we want to be able to work with them on that. But, if it's a large tract, we are going to require them to go in with the multi-slip dock. And really, to be on any multi-slip dock it will be a extra half slip. That way if it's a developer and he wants to come in and develop property behind the PBL, or if he wants to develop lots along the PBL he will have some off water --- you know,

he will have a certain number of slips that he could offer to off water for a lot. But that's kind of what we are looking right here with this management of this. And remember, this is a proposal. This is a proposal that we worked on for 2 1/2 years to kind of come up with with the rebalancing and the plan. And so, this is a proposal that we are going to send up to FERC; and then FERC can review it and get back with us.

This is would be the individual dock that I was talking about. I think I am going backwards. No, the courtesy boat ramp, or courtesy dock, to have a courtesy ramp or a courtesy dock you have 300 feet measured on the project boundary line. Also, before we would permit a courtesy dock and a ramp, we would really have to evaluate the impact it is going to have on the trees and the vegetation around the shoreline. But also, it's an opportunity to have a community ramp where it could be 10, 15, 20 houses back there, and they would have access to the Lake.

UNIDENTIFIED: (inaudible)

MR. BOOZER: Yeah, that was the individual dock.

UNIDENTIFIED: I think that showed the length in the property that will dock. Because I think that's what is confusing is the 200 feet that is part of your proposal for individual docks. (inaudible)

MR. BOOZER: Which one did you go to?

UNIDENTIFIED: That one.

MR. BOOZER: That is an individual dock. 200 feet right here. The individual, same restrictions on the setback, same restrictions right here with the deed restrictions, and the docks would be 200 feet apart right now. Now, we are going back to this one. This would be the community boat ramp right in here. And what concerns us on this is basically the impact it would have on the non-disturbance area. And also, we have got the path coming here. And of course, you would allow the turning rate is to be inside the purchased property right in here.

All right, talk a little bit about the buffer zone. And we said it will be a non-disturbance area, except for the meandering path. There would be no clearing of trees, shrubs or vegetation. We will allow clearing of a 10 foot wide path meandering like this. To permit a dock, we have got this thing planned right now on Lake Monticello. The non-disturbance and people come in and build a path going down to their dock. Path must not encourage erosion, or trees larger than 8 inches at breast height, pines may not be removed, and Lake Management representatives will work with the property owners to lay out these paths. We do this up on the Monticello Road right now. But I think that's it right now. I think we are going to give some ground rules, to have some questions, and whatever.

MR. STUART: These are just some standard rules to try to maintain some order in here. Most of them are pretty self-explanatory follow rules. No personal attacks, try to be respectful. Recognizing this is critically important, need to speak clearly and project. Alison will be walking around with a microphone. It is not a loud mike for the room here; it is a microphone for the videographer. So, you may think you are projecting throughout the room, but you are not. So, please speak loudly and clearly. No yelling. Limit one question per person, when recognized. That's not to say you can't ask multiple questions throughout the evening; but to keep the thing moving, and all that, we wanted to try to limit to one question. So, with that, we certainly will begin to open the floor for questions for Tommy and Randy. And as soon as Alison gets to you, please state your name and who you represent; if you are a homeowner, that's satisfactory.

MR. FRITZ WAIDNER: Would you give your web address?

MR. STUART: Yes, I was going to do that at the end. It is obviously www.saludahydrorelicense.com. If you google saludahydrorelicense, the link that pops up.

MR. FRITZ WAIDNER: My name is Fritz Waidner, and my question is in regard to the lower part of the Lake, the River down going toward the Riverbanks Zoo, it's been polluted recently. What is the long term plan to keep this Lake from becoming polluted? Because I can see more and more growth, development, more boats, all that is a bad omen in my mind.

MR. MAHAN: Of course, we hope that part of what will be accomplished with increasing the buffers and so forth between development and the shoreline, and the water itself, will be additional ability to filter what might otherwise get into the Lake. We like to leave the issue of dealing with sewage in terms of sewer plants; the decision whether to have a plant or allow for a septic tank, properly operating septic tank, to those folks who are better equipped to do that. At the same time, also, by increasing lot size required before you can have a dock, we are actually reducing the density that otherwise might occur along the shoreline. In terms of what SCE&G can do, we have to really kind of limit ourselves to the property that we own and the activities that we can control around the Lake. Now, we do certainly cooperate with DHEC and other agencies who have interest in this area to do what we can in that regard. But again, it's just a limited amount that we as the owner of the project can do by virtue of our property ownership. Our license doesn't really give us a whole lot more authority to go in and act as if we are a unit of government, we are not. But by controlling the density of development, and by controlling the things that we can on the property that we own, that's the best that we can do.

MR. WAIDNER: Well, I'm not necessarily aiming on pollution of the water, but general pollution. Noise pollution. One some weekends it is so noisey out there with jet skiis; and you're action here now, we are going to have a lot more docks, and a lot more boats, and a lot more traffic. And that's pollution in itself.

MR. BOOZER: Well, one good thing about this plan that we are looking at, if you will look right here. This is the high water mark; this is the PBL. You know, we know it's 75 feet, it just depends. This could be 100 feet, it could be 5 feet; but if it's development behind here, there will be no septic tank lines or any fuel lines in this property right in here. So, this plan actually forces development back off the Lake to give you this buffer zone for protection. Now, this is only on the 51 miles that we are looking at now. But we have got about 29 miles that's already got the buffer zone on it. So, almost 400 miles of the shoreline is already sold down to the 360. But as far as what we are proposing, this right here, water quality we looked at, and that is one reason we came up with such a wide buffer and a non-disturbance buffer to help with the sanitation going into the Lake.

MR. MAHAN: You are absolutely right, the more activity you have around the Lake, the more opportunity you have for other nuisances to occur, such as the noise and so forth. We would like to think that Lake Murray is immune to that, but we know better. Those are the kind of issues that are probably best left to a governmental authority that has the authority to do something. Somebody is out on the water, SCE&G has zero authority over them. If they are on their private property, SCE&G has zero authority on them. Okay? If they are on our property, now we have got something. That is where we had the hook when people wanted to put a dock and attach it to the portion of Lake bottom that we own, or they want to buy property and we retain that 75 foot

setback, then we have some authority. But beyond that, it is really beyond our ability to do very much. Again, we can cooperate with agencies; and actually by relieving some of your noise issues, by pushing the houses back a little bit, at least those people who live back there won't hear the noise so much because they won't be as close to the Lake as they used to be. Some people don't like that idea.

MS. FRAN TRAPP: Am I to understand that some of the property that you have in the --- does go to the forest management if you intend to issue dock permits on SCE&G's property for the back property owners?

MR. MAHAN: That's correct. But I think you may have heard, it would be right now the proposal is a single dock no matter how much back property you own. A minimum of 5000 feet, but you could have 1000, 2000, 3000 feet and the proposal is a single dock. And let me tell you why we did this. Recognize that SCE&G has a policy, and it's its policy, it's not required by anybody other than SCE&G, that we will sell that fringe land only to the people who own the back property. That is a residual from the fact that many people who own these larger tracts of back property are descendants of the folks from whom Lexington Water-Power Company acquired the property. And there was a sense of responsibility that if somebody was going to be able to buy property whenever it became available to buy, okay, SCE&G wanted to make sure that we dealt with those people first. They basically had first right of refusal. In this case, they are the only people that we are going to sell to. Now, over the years a lot of people have come in and bought that back property, so we are not always dealing with heirs; but many times we are. And then when we came in and we classified properties as forest management, okay, and for that group of people who own property behind that they were kind of cut off. And we recognized there were some hard feelings, and there was a sense of fairness issue there that we wanted to try and address without doing significant harm to the idea that a forest management classification is protective. Okay, it protects the shoreline and keeps it looking the same. But we figured --- and I think we had consensus that a single dock, significantly large, you know, 500 feet or greater, would not be enough of an imposition on the shoreline that it warrants preventing someone who owns that back property from having that. And that's why we did that, for no reason other than a fairness issue.

Let me make one other thing clear. We drew a line in the sand, if the property as of 2008, okay, January, if somebody comes in and they cut those pieces, those larger pieces of property, into smaller pieces, we are not going to let each one of those individuals have a dock. It's the tracts of land as they are laid out as of January 1, 2008.

MS. TRAPP: So, if everyone wanted to ask for a permit, then do you know how many docks that would go to?

MR. MAHAN: Around 40.

MR. STUART: Other questions?

MR. BILL MATHIAS: Bill Mathias, homeowner. What is the situation about a noise ordinance on the Lake? And are there any existing noise ordinances in any of the four counties that the Lake is in that are in existence now? And what is the possibility of those being made uniform, or creating uniform?

MR. MAHAN: Bill, if they are, I am not aware of them. I do believe Lexington County may have a noise ordinance. I am not sure about Saluda, Newberry and Richland; they have only got about 10 or 15 miles of shoreline.

MR. MATHIAS: Well, I have understood Lexington had one, and I haven't looked it up yet. But his comment about the jet skis, that's one thing. But whatever these boats are called that fly the tails off of them in the back, you know, there are more, and more, and more of those on the Lake. And that's a far bigger noise problem than the jet skis.

MR. MAHAN: I would agree. You have got a jurisdictional problem obviously with four counties involved. Now, the Department of Natural Resources has some jurisdiction for boating safety and

those sorts of things. I suppose if the Legislature wanted to do something like put in some kind of a Statute that deals with those matters, they could grant DNR the authority, or give them the responsibility, to do that. Now, I can guarantee that nobody from DNR is going to hold their hands up and volunteer for that; at the same time, it is an issue that you are going to see more and more as you have more and more boats on the Lake, and ---

MR. MATHIAS: Noise ordinances are affecting other lakes. Wonder why something can't happen here in that regard?

MR. MAHAN: Again, that's one of the things that SCE&G --- we get in enough trouble doing what we have to do. We will leave that to our law enforcement friends, our State Representatives, and so forth. We would not object to it at the same time. You know, we don't consider that to be our bailiwick because we are no experts in that area. We don't have any enforcement ability, anyhow, in that regard.

MR. PETE OLIVER: Pete Oliver. One question, we know that Regulations tend to creep and Regulations tend to change; and the way that you are talking tonight, the proposed PBL line, and all like this is just y'all's property and only applies to y'all is the way I understand it. But what about individual property owners that have a Lake lot now, doesn't have a dock, not affiliated with your property at all, are any rules, these rules, going to creep over to the individual property owner later?

MR. BOOZER: No, there is no plans to expand this proposal in any part. Now, can I say for a fact that it won't change in five years or ten years? You know, we have a ten year update with our licenses; it's five year right now. And we probably are hoping to get a ten year with this license. And, could that be reconsidered? There was a lot of discussion in our committee about raising it from 100 to 125, or 150, but our position is to leave that at 150.

MR. MAHAN: You are very astute, Pete. I can tell you, SCE&G would have no plans to go back retroactively to try to fit a new set of criteria on properties that had been developed and cut up, and lots defined years ago, and therefore end up cutting some people out of docks. We have no, or little control, shall we say over our friends in Washington. I have found them not to be really excited about putting in place a very, very controversial thing of that sort. So, my guess would be SCE&G certainly wouldn't be pushing for that. Washington isn't going to think of it on their own. But if someone were to petition, if there really got to be a problem, and someone proposed that that problem could be partially solved by increasing the lot width size for all lots before you could have a dock, I am not willing to predict what Washington would do.

MR. BOOZER: But one of the things that we did when we changed it in 1989, we grandfathered everything else in. And so, now if there is a lot that has got 70 feet, it may not get a full sized dock but they would still qualify for a dock. They may get a full size dock. It just depends on where it is. So, you know, basically what we go by is somebody's deed, whatever that may be after December 1989. And if the deed is prior to that, they don't fall under 100 foot requirement; if it is after that, and they have got 95 feet or 99 feet, they have got to have 100 feet. If we did something like that there would be some type --- I mean, that's the way we have done it in the past. We have never --- we have always had a way to work with problems.

MR. OLIVER: Thank you.

MR. MAHAN: Generally, Pete, even the FERC is pretty understanding about situations that already exist. A good example of that is our requirement is when we sell a piece of fringe land that we maintain a 75 foot setback. Well, you may have a piece of property that's in an already sub-division, nobody has bought this particular lot, somebody comes and wants to buy our fringe land, okay. Everybody on either side all the way around already owns down to the 360. Does it make any sense? Are you getting any environmental benefit? You know, a lot in the middle of a developed sub-division by having a 75 foot setback that makes that lot look rather odd. And the FERC has been very good about saying, "We will grant you an exception to that. It doesn't make any sense. You are not getting the benefit from 75 foot setback that we intended. And therefore, we will give you permission to sell down to the 360." So, generally they do recognize current situations and

don't --- you know, they can be reasonable at times.

MR. STUART: Other questions? I thought I saw--- yes.

MR. NELSON MOORE: Nelson Moore, I am just a landowner. Clarification, is there any implication from this plan to a current landowner, has nothing to do with buying land from you, a current

landowner who may sell his property, or her property, or may not in the future, if they do sell it, the conveyance of title have any --- is there any impact from this to that?

MR. BOOZER: No.

MR. MOORE: Okay. That one, no. Okay. And the second part of that question is, further clarification, say they have hypothetically 400 feet on the water today. Has the land to use. There's a dock on one part of it. They plan to sell their neighbor or their son 200 feet. Can that son or neighbor get a dock because it was only divided yesterday, after January 1st, 2008?

MR. BOOZER: But it exceeds the 100 feet, it's 200 feet.

MR. MOORE: Yes, 200.

MR. BOOZER: So if they met all the other criterias, they would.

MR. MOORE: What other criterias?

MR. BOOZER: Well, if it's in an

ESA, environmental sensitive area, if there is vegetation, or ---

MR. MOORE: No vegetation.

MR. BOOZER: You don't have any vegetation on this shoreline, I know.

MR. MOORE: You know what I'm talking about.

MR. BOOZER: Yes, you can do that. In fact, if you had enough room under the current plan, you could put four lots there, if you had enough room.

MR. MOORE: There is no implication.

MR. BOOZER: No implications.

MR. MOORE: Even with the division of the lot after January 1st.

MR. BOOZER: This only applies to that 51 miles.

MR.

MOORE:

Unfortunately, there is a lot of misinformation.

MR. BOOZER: That's right. We can make an exception in this case if you want to.

MR. MOORE: (inaudible) Thank you.

UNIDENTIFIED: I am just a homeowner, but I am curious to understand. This is a new property. What about the old 75 foot setback? Do those also supposed to be non-disturbance areas? Or, are they under different disturbance rules?

MR. BOOZER: No, when we sell them, we started in 1984 as part of the new license for the setback. The setback originally started out as a setback, or building setback. But as the years progressed, it turned into a vegetation, we tried to keep as many trees and stuff as we could. And in the early setback requirements, we could remove anything, fringes in diameter down. And what has happened to us on a lot of those setbacks, a lot of the folks because of natural conditions and also because of some activity by the back property owners, a lot of those trees have disappeared. Now, we have been ordered by FERC to come back and re-evaluate these buffer zones and come up with a re-vegetation plan for some of these buffer zones. But it won't be a non-disturbance. I mean, it will be --- I think we are looking at --- and this buffer zone management plan is on our website. But we are looking about putting trees 15 feet apart, or something like that. If someone has gone in there and lost a lot of trees on that setback, we are going to come back and plant hardwoods and not pine trees, because you lose a lot of pine trees. But, no, they would still fall under --- the property that we sold under those conditions is still limited growth to a certain extent. But not, any property that we sell under these conditions would be a complete non-disturbance.

MR. MAHAN: There were about 14 land sales approved by the FERC in recent years that

specifically were required to have a non-disturbance setback. Okay. In those, if you bought it with a non-disturbance setback, it has to remain non-disturbance; if you bought it with the limited brushing setback, it will remain limited brushing. Okay.

MR. BOOZER: And we kind of know where those areas are and those folks.

MR. PETER OLIVER: Pardon me again, but what is the blue line? It says "Natural Area". All around the Lake there, which does pass over our property confluently.

MR. BOOZER: The blue lines are identified as the protected area, the natural area. And those areas, SCE&G, we will not sell the back property --- you talking about the PBL?

MR. OLIVER: The blue shaded, or the natural areas. There is a blue line that goes all the ---

MR. MAHAN: That's the shoreline.

MR. BOOZER: That's the PBL. That's the Project Boundary Line. That's above your property? Yes, that's PBL.

MR. OLIVER: If it doesn't affect me, why is it in even there?

MR. BOOZER: Because it is part of our license to have the PBL. We have to show it on our map. What of the PBL, SCE&G still retains flowage license and clearing license, always see PBL on a lot of property. So, we have got flowage license, you never give up the flowage rights to the PBL.

MR. OLIVER: What kind of rights?

MR. BOOZER: Flowage. Flowage, backwater over it. If we have a flood and it comes all the way up into that line, then we are not totally liable for that because it is inside the Project Boundary Line. But, Alan, we will be glad to stand around if anybody has got some individual questions, or whatever, we are here and we are glad to answer any questions anybody has. And, feel free to look at the maps and everything.

MS. KRISTINE JENSON: Kristine Jenson, Windward Point Yacht Club. Our written position is that FERC should not release any more public easement lands on the Lake Murray project boundary. And what we have seen of your plan, we find very reasonable and satisfactory. But we want to know how the plan will be enforced and will all transactions be public?

MR. MAHAN: Anybody who buys or sells property, the deed ends up in the Courthouse. That is as public as it is going to be. We are not in the habit of putting ads in the paper each time we have a property transaction. So, we respect people's privacy, they respect our privacy. We don't intend to do that. But again, when you file a deed in the Courthouse, it is a matter of public record; so those transactions are fairly easily discoverable. The other thing is that before we can sell any property, we have to get permission from the Federal Energy Regulatory. And that will be public notification. That notification was on the Federal Register and also goes out to all the resource agencies.

MS. JENSEN: Right, thank you.

MR. MAHAN: But I got the flavor of that like, "Would we put something in the paper and make an announcement?" We will follow our Federal Energy Regulatory requirements; but we are not going to enter into some additional program. And there are some property transactions we actually have to get permission from our Public Service Commission if it is over \$50,000, I think.

MR. STUART: Other questions? Comments?

MR. JOHN JAKES: John Jakes, Lake Murray Docks. Does the public easement on the project lands include the Lake --- include the basin of Lake Murray?

MR. MAHAN: You mean the land underneath the Lake? I'm not sure what Jim Leslie is referring to when he gave the information about public easement. SCE&G owns most of the land beneath the water --- or, most of the land below the 360; but not all of it. There is maybe 5, or 6, or 7% that SCE&G never owned, and all we had was flooding rights. Now, we maintain for the public, you have our permission to use the property that we own below the 360 for recreational activities. I don't think you could call that an easement, but

it is basically a license freely given and available to anyone who wants to use the property reasonably.

MR. JAKES: Right. The followup to that is the anchoring or multi-use docks within the scope of this public easement, or the land within the Lake basin.

MR. MAHAN: We are still the private property owner in most of the situations; and we may or may not grant a license which would be a dock permit to attach to our property for a dock. But we do require that you come to us and ask us for that permission. And in addition to getting our permission, you also have to get permission from the State of South Carolina and the Corps of Engineers.

MR. JAKES: Right. This question was in specific, the anchoring of those docks; not to licensing or anything like that. The anchoring of the those docks.

MR. MAHAN: The anchoring is a physical intrusion onto that property. Again, it requires our permission. It requires the permission of the State of South Carolina, and the U.S. Army Corps of Engineers. Our permission, because we own the property. Their permission, because they have regulatory authority.

MR. JAKES: So, your answer to the first part of the question was it's okay if you use it; and then the second part of the question is if you are going to anchor on it, we have to have it.

MR. MAHAN: If you are going to put a structure on our property, yes. But if you want to walk upon it, if you want to pull your boat up on the shoreline, get out on the shoreline, and walk about, and fish and so forth, we don't require a permit for that. But we certainly do if you are going to attach a structure.

MR. JAKES: So, if I was going to sail over to Bomb Island and drop anchor there, I have to get some sort of written agreement?

MR. MAHAN: No. I'm sorry, I misunderstood. I thought you had talked about anchoring as in putting a screw in or some permanent structure, attaching your dock, or some other facility permanently to our property. And that would require our permission. But if you want to drop anchor, we don't have the time and resources, nor the information to try to keep track of that.

MR. BOOZER: Randy, it's a little bit difference between anchoring and a permanent mooring.

MR. MAHAN: That's correct. Let's don't get to trip over the terms here. If you are talking about a permanent anchorage area, or a permanent mooring, that is one thing. If you want to go anchor overnight, or a day or two, that is something else; that's a use you're welcome to do. But if you want to put a permanent anchorage in there, or permanent mooring, that is going to require our permission. And I don't believe, Tommy, you tell me, we don't currently permit permanent moorings, on a permanent basis.

MR. JAKES: So, the permanent moorings that are currently holding commercial docks all around the Lake are not permitted? I mean, there are permanent moorings that are holding the Lighthouse and Marina docks in place.

MR. MAHAN: We are tripping over terms. We are tripping over terms. If you are talking about a mooring for a vessel, and that is what I thought you were talking about. Not mooring for a dock.

MR. JAKES: Right.

MR. MAHAN: Mooring for a dock, an attachment, a permanent attachment, to the earth, to the ground, requires SCE&G permission, if we own the property, requires permission from the Army Corps of Engineers and the State of South Carolina. We also have a permitting program, even if we don't own it, we ask that you come and get that permit. If you are talking about a mooring for a sailboat, okay? You are going to sail from one side of the Lake to the other and drop anchor for a period of time. That's fine. But if you want to put in a permanent mooring there so you can come there and hook to that mooring, and stay there for long periods of time, we do not permit that.

MR. JAKES: What is considered a long period of time?

(Laughing)

MR. JAKES: I'm sorry. I just want to understand all the projects here.

MR. MAHAN: This is a individual issue that, you know, we have with Windward Point Yacht

Club, it is not appropriate to waste these people's time to talk about this. We will deal with ---

MR. JAKES: I'm talking about --- you are wasting everybody's time talking about Lake Murray going down the River to the Saluda River, talking about what you are doing there. So, let's not talk about wasting time here, okay?

MR. MAHAN: Sir, ---

MR. JAKES: Let's be a little fair.

MR. MAHAN: --- the Lower Saluda River ---

MR. JAKES: I'm asking a question.

MR. MAHAN: The Lower Saluda River is part of the project whether you like it or not.

MR. JAKES: It's not part of mine, though.

MR. MAHAN: It's Project 516 Relicensing. Well, let's not argue, okay?

MR. JAKES: No, I don't want to argue, you have done good all the time here.

MR. MAHAN: That's correct.

MR. LARRY SANDIFER: My name is Larry Sandifer, I am a property owner. I will try to keep this brief. Can you tell me your current proposed policy on your changes on lake elevations during the year?

MR. STUART: There has been a proposal that will be contained in the License Application, and it is just that. I believe it is to raise the --- try to get the Lake up to an elevation of 358 by March 1st, carry that through til the end of September --- Labor Day. At that point, the proposal at this point in time is to drop it to 354. That does not include periods of drought. There is a low inflow protocol that is being developed, it has not been finalized; there is actually another proposal that is being considered. That is probably some of the information you have seen or heard about here recently. We are still working on that of how that water will be distributed and equally divided amongst the Lake and the residents. But there has been nothing concrete or anything further discussed on that since that original proposal. Does that answer your question?

MR. SANDIFER: Thank you.

MR. BILL MATHIAS: Bill Mathias, when this project, relicensing project, started as I recall there were files mostly foot permits that were in process, and those were permitted to go forward.

MR. BOOZER: That's correct.

MR. MATHIAS: Right. What is the status under the (inaudible) management plan as to any of these large multi-slip docks in the future?

MR. BOOZER: Well, Bill, you know, we have got a permitting policy established for the different types of docks, the multi-slip docks, and that is on our web page. But right now we put the moritorium on the five the five that were already in holding for a number of years, they went through; but we haven't had any new ones in the last three years because we have got the moritorium on them.

MR. MATHIAS: But will it be possible in the future under the revised --- proposed revised policy?

MR. BOOZER: Yeah. And it will be informal. What we are going to wind up doing is once we get a little farther along, we are probably going to have another meeting just to go over all the permitting changes.

MR. MATHIAS: Because there has been a good bit of discussion as to y'all's protocol, what it means about the shaped development with a minimal lake frontage, and then being able to quote, "guarantee", everyone, you know.

MR. BOOZER: Well, you know, what we are looking at as far as the larger, the more shoreline, and we really --- for the time it is based on shoreline, just like this right here where we --- you know, there's 200 feet, and we've got 1 1/2 slips, it would be based on 100 feet, and you would get 1 1/2 slip. And then if you put a buffer zone on, you may can get two slips. So, it's an incentive there. But you have got --- there is also shoreline footage that you have got to have; there's also distances across the cove; there is also

radius from existing facilities that you have got to meet. So, it's a number of things, but we have got --- we are going to make probably a presentation on all that change in February.

MS. JENNIFER LESLIE: Hey, my name is Jennifer Leslie. Y'all and my Dad obviously did last week. I have a question. I (inaudible), so if I were to sell or buy a piece of property right now, I am trying to figure. If it's 200 feet, the dock? I mean, I don't understand if it is 100 feet for one slip or 200 feet now? I mean, has it changed, if I do it now, if it is not deeded?

MR. BOOZER: Okay. Well, first of all, if you are buying property that the property owner already owns the deed, 360 contour which is the high water mark, or if they have the existing buffer zone in front of their property, the only requirement --- the first requirement as far as footage is 100 feet. Okay?

MS. LESLIE: Okay. If it is not deeded.

MR. BOOZER: This does not --- This only applies to any future sales that we may have.

MS. LESLIE: As of like today. I thought ---

MR. BOOZER: No, no, no. This is a proposal that has got to go to the Federal Energy Regulatory Commission, which may take years before we give ---

MS. LESLIE: As of now, it's still 100 feet.

MR. BOOZER: As of now it is still 100 feet of shoreline.

MS. LESLIE: I have heard so many stories that I ---

MR. BOOZER: But there is other criteria that we have to ---

MS. LESLIE: Right. Okay, thank you.

MR. MAHAN: Thanks. I think, also, one of the things that may be confusing, if you are buying the property from SCE&G you are going to have the setback, and you are going to have to have 200 feet before you can have a dock. Again, as he said, if you are buying the property from somebody who already owns it, they bought the property from SCE&G years ago, these new standards are not going to apply. Okay? These standards that apply to that property will apply such that you could have a dock every 100 feet. Okay? But again, if you are buying it, this new program applies to property that we currently have still in the future development classification that someone wants to come and buy the back property, they buy it, they can buy it down to the 75 foot setback, they will have restrictions on everything between there and the project boundary line. They will have to have 200 feet minimum on the project boundary line in order to get a dock. But if you go buy from John Doe who has owned the property for twenty years, okay, and his property is only 100 feet wide, you can still have a dock. If he had 200 feet wide, you could have two docks. Okay. So, it depends on who you are buying it from, okay. And what the standards apply depend upon, again, who you are buying it from and when the property was developed, when it was purchased.

UNIDENTIFIED: I do have one clarification question on that. Again, back in --- when did you put a moratorium on dock permitting?

MR. BOOZER: It was mostly slips, it wasn't docks. It wasn't individual docks.

UNIDENTIFIED: For individual docks ---

MR. BOOZER: I am trying to remember the date. It was right at three years ago.

MR. UNIDENTIFIED: Okay, so ---

MR. BOOZER: It wasn't a moratorium on those people's docks.

MR. MAHAN: No, he is talking about multi-slips.

MR. BOOZER: No, he said individual docks.

UNIDENTIFIED: No, I said for individual docks.

MR. BOOZER: No, there is no moratorium for individual docks.

UNIDENTIFIED: So, if somebody wanted to request a individual dock permit today they could go ahead and do that?

MR. BOOZER: We do them every day.

UNIDENTIFIED: Okay, I am asking but I don't know.

MR. BOOZER: Every day.

UNIDENTIFIED: And then, so if the proposal does pass where the restriction changes from 100 feet of shoreline to 200 feet, what date would it be required that they would have to go ahead and be able to have 200 feet of shoreline to get a dock permit successfully? I mean, is that basically --- I mean, once it is approved, is that three, to four, to five years, whatever?

MR. BOOZER: Whenever FERC approves the program, and we get confirmation from the Federal Energy Regulatory Commission that they have approved our proposed plan, and then it would go into effect at that time.

MR. MAHAN: I think I may know where you are going with this. If you buy that property, fringe property, from SCE&G today. Okay. Of course, right now we are not selling any fringe property, and we probably won't sell any until the license is issued. Okay. So, in a sense, for all property that SCE&G still owns, that is bought in the future, you are going to have to have minimum 200 foot width. Now again, if you buy property from somebody else, they have already owned it, we are not coming back retroactively and putting the 200 foot wide requirement on that property. We have avoided trying to retroactively apply new standards, and we try to maintain that.

UNIDENTIFIED: So, this is approximately 51 miles of shoreline.

MR. MAHAN: Those folks who have had a moratorium so-to-speak, because they haven't been able to request a dock from us because fringe land still stands on a moratorium for --- how long, Tommy?

MR. BOOZER: Almost three years.

MR. UNIDENTIFIED: Almost three years. So, from three years from now if anybody decided today, actually maybe a year ago, they went ahead and purchased a lot that was only 100 feet of shoreline, then they really --- whenever it comes time where they could buy the fringe land in order to get a dock, no longer would 100 feet be enough for them, they would have to get 200 feet.

MR. MAHAN: Remember they could not have bought that lot from us because we haven't sold it.

UNIDENTIFIED: But the back property owners could have sold it though.

MR. MAHAN: Oh, that's true. That's absolutely correct. So if someone buys that property from the back property owner, and they bought only 100 feet, they have got a problem.

UNIDENTIFIED: Yeah, and I think that's the point that --- I think it's time to clarify that with that 51 miles of shoreline, that someone over the course of three whole years may have decided to get them to sell a whole piece of property. And basically, being used to 100 feet being required for shoreline distance for an individual dock, if in the course of that three years they bought just 100 feet, those people would no longer be able to get a dock permit unless they find some way to find another 100 feet of shoreline, if this proposal goes through.

MR. MAHAN: That would be correct, and they probably should have called us before they made that transaction.

MR. BOOZER: And they do; I get calls every day about purchasing fringe land, or property behind the fringe land. And when it comes it's a moratorium on it, you can't sell it, you can't tell them what the outcome of that property is going to be.

UNIDENTIFIED: And as the last thing, this usually talks about the 51 miles is a relatively small amount, but 51 miles of shoreline is a pretty long distance of shoreline. And I'm assuming over 51 miles is probably a number that property owners --- have y'all talked about individuals contacting those homeowners to

let them know that there may be changes to any of the shoreline requirements for dock permits, or that their classification may change from future development to natural areas, or otherwise?

MR. BOOZER: No. Everything we are doing is through the public process, just like we are doing right now, and on the web page, and all the other avenues we have.

But we don't call up individual people and tell them that we are changing our property. Just like we don't expect people to call us up and tell us they are changing their property.

UNIDENTIFIED: Yeah, I guess I am just trying to find out some ways this is done and how I can (inaudible) whenever there is some zoning change that at least at least a sign is put up, or something. In addition to the website, just in case they didn't have access to the web.

MR. BOOZER: We have had the sign out for 2 1/2 years so far on this process. We have been just as public as we can about all the things that we are doing.

MR. STUART: Alison, this gentleman right here.

MR. (INAUDIBLE): I am Phil (inaudible), a property owner. Along a lot of the docks that are build around the Lake were really built around the 358 mark, a lot of the old ones are; so that, when you back the water up to that level a lot of it inches up over the water line. So, are you going to give us the period of five or ten years to move our dock up, or are they just ---

MR. BOOZER: You know, our program requires a dock to be above the three --- 360 and 362.

MR. PHIL ---: How long has that been the limit? Because I know a lot of ---

MR. BOOZER: That has been from Day One. From Day One, we started the program in '75. Now, do we go out and enforce that if somebody's dock is a foot low or something? No, the only property we get into, if we have high water, and then it becomes a navigation issue. But most people have made some corrections on their dock after this previous high water. But the high water is going to be kind of tradition here, you know. So you are going to see high waters in the fall like you did --- I mean in the spring like you did this year. And a lot of people, you know we have done a lot of dock modifications this year for people raising their dock. A lot of folks in the upper end of the Lake where they have got a lot of stationary docks, those are fairly low docks. And so, most of those are being modified to bring them above the 360. But you have got to remember since 1998, we have been in that drought situation; the wake hasn't been up as high as it normally was prior to that. A lot of people have gotten use to it, and they say, "Well, if I build it to 360, I have got 3 feet before I get to the water." Well, we need to build it up to the 360 because it is going to be higher. Yeah, you can apply for a dock modification any time if it is something --- you know, if you want to raise it or change it, or modify the dock, we will be glad to look at it. We have done that a lot here.

MR. CARLISLE HARMON: Carlisle Harmon, a home owner. Some of this stuff you showed at the beginning where some of this acreage is going to come above the PBL. Does SCE&G already own that property where that's involved?

MR. MAHAN: Yes, sir, that is property that we already own. We have some larger tracts, the forest management, that we have had over the years. It's adjacent to --- most of it, I think all but maybe one or two little small ones, are already adjacent to fringe land. And we are basically going to try to lease that to DNR for their use, and whatever they think is appropriate for that. Probably most of it is going to be in game management. But, yeah, we do kind of keep it all together, these larger tracts; we are interested in seeing those, try to keep those consolidated.

It's good for the wildlife, to have larger tracts available like that, and not use the --- and we knew they wanted to try to protect those as much as they could for as long as they can.

MR. HARMON: One more. Where can we find out what the classification is for the property we own?

MR. MAHAN: You can look on that map right over there.

MR. HARMON: Okay.

MR. MAHAN: If you can't read the map - like me - call Tommy. Let me make one thing clear. We talk about these things, we kind of get into the habit --- but we thought this up, we think it's a great idea, we have had a lot of discussion. These are going to be what we will propose to our friends at the FERC, assuming we get agreement with all of our stake holders, and so forth. I'm probably about 90% sure that what we file at the FERC, particularly if we have agreement, is going to be accepted rather readily because they don't like controversy, and if we have already made their decisions for them, they will probably go along with them. But there is no guarantee that the FERC might not have a disagreement with some particularity in our proposal. So, please understand that. It may come back to us a little differently than we sent it; I don't think so. I think that what we proposed is reasonable; we think that they will agree, particularly if they think it is going to avoid any kind of controversy of they have to answer to a Congressman about. So, we think it will probably be accepted, but there is no guarantee. This is simply an application, it is simply a proposal, and someone in Washington has to make a decision of whether it's the right thing to do.

MS. LESLIE: I have another comment. I just want to thank you all so much for letting us walk across the Dam. I have enjoyed that so much, it is just beautiful. And I appreciate that.

MR. MAHAN: As much as we would love to claim 100% credit for that, you will have to call your friends at the Department of Transportation ---

MS. LESLIE: Oh, they did it?

MR. MAHAN: --- because it was their dollars. Now, we gave them the easement and so forth to do it. But they spent the dollars, and they did it. Now, that doesn't mean we don't get in trouble dealing with the traffic, and dealing with the dog droppings, and deal with all these other things.

MR. BOOZER: Leave your dog at home.

MR. MAHAN: Leave your dog at home. But, we do have to give --- they came just about that close because they were running close on dollars to eliminating the walkway. Okay? But they did find the dollars, and they kept in there. And I think I have been absolutely amazed and astounded. It's almost twenty-four hours a day you can find somebody walking it. And it's a good thing.

MS. LESLIE: Very nice.

MR. BOOZER: One good thing that we are getting ready to do is we are getting ready to put drinking fountains on both sides. At each one of the parking lots, there will be drinking fountains. And the parking lot we have provided. And also, what we are going to do, if you are on the Lexington side, we are going to close the park probably about the 14th of September. And we'll open that park, the upper end, the nice rooms and everything, that is going to be open for the walkers, too. So, they won't just be restricted to that small parking lot. And so, that will make it a little bit better, too.

UNIDENTIFIED: I agree with her. I love the park and the sidewalk. Just another question. You were talking about you would be able to work with back property owners if they already have the existing shoreline required, such as if they have 100 feet of shoreline that will put an individual dock. They already have that allocated, they will be able to get a dock permit immediately.

MR. BOOZER: Right.

UNIDENTIFIED: I guess the question is, if they have the appropriate amount of shoreline, and the fringe land between their PBL and the 75 --- oh, I'm sorry. The distance between the fringe land and that actual 360, if it falls less than 75 feet, let's say they are 25 feet from the water and they have current property that goes just down into that area, will they be able to get a dock permit without deeding over their property?

MR. BOOZER: No. They will have to deed the --- one of the main goals of this plan right here is to make that uniform 75 foot buffer zone.

UNIDENTIFIED: But even the people who would have the appropriate amount of shoreline ---

MR. BOOZER: Right.

UNIDENTIFIED : --- they still would have to deed over the property.

MR. BOOZER: They would have to.

UNIDENTIFIED: Okay, thank you.

MR. STUART: Any other questions?

MR. CARL NELSON: Carl Nelson, another one of those noisy people with one more point, Yacht's Club. Apology. I read, I don't know by personal experience but I have read that there is a portion or a sub-set of the permitting requirements for multi-use docks that is not entirely public, it's not public. I don't know if this is true or not, I just would like to --- is the whole thing is public, public the entire process, the rules?

MR. MAHAN: The process for getting a permit for a marina, for a multi-slip, for a private dock, is all laid out there in the public. Now, are you saying is every detail, the number of times we talk on the phone, or visit to the site, and so forth? No, it's not out there. There is no hidden agenda, there is no secret set of criteria we apply to people we don't like. Okay? We treat every --- we hit everybody with the same stick, we try to be fair; some folks will think we are, and some folks will think we are not. But trust me, we don't have any hidden agenda, there is no secret set of criteria we apply differently to facility "A" versus facility "B". It just doesn't happen.

MR. NELSON: So whatever regulations are required for a place like Windward Point, you could expect the same regulations for a place like Pine Island, or the Lake Murray Yacht Club, or any of the other facilities on the Lake?

MR. MAHAN: Yes. Now, I know where you are going with that because we have heard this again from Jim Leslie. You have had facilities that have been out there before Windward Point Yacht Club. Okay? And just like I said, we don't go back and retro-fit new criteria to existing facilities. We don't. Okay?

MR. NELSON: It's just a matter of when a particular place is built and the regulations were in place at the time the place was built?

MR. MAHAN: That's right. And guess what the very, very first yacht club or commercial marina, we would called it at that time, that was applied for and was granted a permit on Lake Murray. Guess which one it is?

MR. NELSON: No idea.

MR. MAHAN: Windward Point Yacht Club. Okay? And that's why, "I'm treated differently." "Well, you know, you were the first one." But everybody else after that has been hit with the same stick. Okay? It's also just like the new permitting requirement for a multi-slip dock in the future will not apply to any of the existing ones. We are not going to go back on them. So, they fall under that criteria during that permitting time. The new one with the setback and the different requirements will apply to any future multi-slip dock.

MR. NELSON: Completely different subject. I travel frequently in North Carolina, and people up on Lake Norman, you hear a fair amount of noise in the Lake Norman area about the last of public access facilities to the Lake. I hear you are selling 51 feet of shoreline, I really have no idea how much public access there is, or if there is adequate facilities with your future planning for public access into the Lake. But, if you are really, really nice for a jump the public just doesn't own, isn't fortunate to have a couple hundred feet of lake front to be able to get access into the Lake, is that a major part of your plan?

MR. MAHAN: Have you been here for the whole presentation?

MR. NELSON: Not the whole thing, no.

MR. MAHAN: Well, we covered a good bit of that and if you will go to the website you will see. We talked about existing recreation, and existing future recreation, and also new recreation that we are proposing not only on Lake Murray but also on the Saluda River. So, we are proposing almost 1000 acres of property for recreation. Almost 41 miles of shoreline in public recreation.

MR. NELSON: Thank you for that.

MR. MAHAN: Yeah, if you go to the website you will see it. Here's a little indication. You know,

Tommy said we have got existing future recreation sites, basically an inventory. And then we have got some proposed new future recreation sites that's additional inventory. That inventory, we have had since mid-60s. How many of those future recreation sites that we identified in the mid-60s have had to be developed for recreation? Zero. So, even though we set aside that property in the '60s for potential future recreation, and haven't had to use any, we more than doubled, I think, what we are setting aside for the next license period of 30 to 50 years because we don't know for sure how much growth is going to be; we do know that growth brings with it additional pressure on the Lake, and we have a responsibility as the licensee to make sure that we have adequate public access because I can't afford to live on the Lake, I'm sure, you know, I didn't have any --- didn't inherit any property, and there are a lot of folks who just like the opportunity to get up there and have a way they can get to the Lake and enjoy it. And as some become more and more stressed, the existing facilities, and as that happens we are going to start seeing the inventories of recreation properties being developed. And we hope it will be developed in a way that meets whatever that need is at that time. But I think we will have more than enough to satisfy the growth in recreational demand over the next license period.

MR. BOOZER: One other thing, if you will look at the recreation that we are proposing, they are fairly large tracts. And what we are trying to do is to try to get a buffer, because one of the --- my phone rings about every Monday morning about folks who live close to the park site, fisher's Shull Island. And we are trying to locate these parks on areas where the Company still maintains --- owns those properties, the different amount of property on either side. That way it gives a buffer to the existing property. If you will look there's pretty large tracts in there, and we will have enough room to kind of buffer the existing properties. And we like to kind of avoid trying to cram much more activity in some of these existing ones because of that very fact. And that's why we have identified places around the Lake that we hope that we can have recreation without disturbing folks too much.

MR. STUART: Any other questions?

(No response)

MR. STUART: Okay, with that we are going to close the Meeting. We will have a couple of more Public Meetings, they may not be on a quarterly basis, they may be much sooner than that, I believe. Tommy pointed out we will address the new permitting requirements, and there has been a lot of interest in the low inflow protocol, which I spoke about earlier. We anticipate probably having a meeting to roll that out and help everybody understand what will happen when water level and the drought hit them.

MR. MAHAN: We will hang around.

MR. STUART: Yeah, SCE&G will hang around for a little bit, if you are camera shy or don't like speaking in front of big crowds, come up and talk to them. And they will be more than happy to help you. Thank you.

PUBLIC MEETING ADJOURNED.