

June 24, 2013

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

RE: Brookfield Smoky Mountain Hydro Project (FERC No. 2169) – License Compliance
Fund Board Implementation Reports

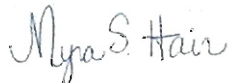
Dear Secretary Bose:

On January 25, 2005, the Federal Energy Regulatory Commission (FERC) issued an Order Approving Settlement and Issuing a New License for Project No. 2169. The Project Relicensing Settlement Agreement (RSA) filed with FERC in May 2004, established two funds: 1) the North Carolina Resource Management and Enhancement Fund (RSA Appendix A, Section 7.0) and 2) the Tallassee Fund (RSA Appendix A, Section 8.0). The RSA also requires Brookfield Smoky Mountain Hydropower LLC (BSMH), as the Licensee, to file a report prepared by the beneficiary entities on the implementation and status of funding proposals approved pursuant to the Funds that reflects the amount of payments deposited into and disbursed from the Funds and the specific activities undertaken with monies from the Funds for the previous calendar year with the Commission prior to June 30 each year. FERC's January 25, 2005 order acknowledged the two Funds and included them in the Project license because they are requirements of the US Forest Service's 4(e) conditions and the Tennessee water quality certification.

In accordance with the Project license and the RSA, attached are annual reports prepared by the respective Fund Boards for the year 2012.

Please contact me at (865) 207-7902 or at myra.hair@brookfieldrenewable.com if you have any questions.

Sincerely,



Myra S. Hair
Compliance Specialist

Attachment



North Carolina Department of Environment and Natural Resources

Division of Water Resources

Pat McCrory
Governor

Thomas A. Reeder
Director

John E. Skvarla, III
Secretary

Cheoah River Resource Management and Enhancement Fund

Annual Report 2012

Introduction

This annual report is submitted to satisfy the requirements of the *Tapoco Project Relicensing Settlement Agreement* (RSA) that requires the preparation and distribution of an annual report to Fund Board members and advisors, and that Alcoa Power Generating Inc. (APGI) file the report with the Federal Energy Regulatory Commission (FERC) by June 30 of the following year. The Cheoah River Resource Management and Enhancement Fund (“Fund” - listed in the RSA as the North Carolina Resource Management and Enhancement Fund) was established through the Tapoco Project RSA and is to be administered by the Fund Board, composed of authorized representatives of the North Carolina Wildlife Resources Commission (NCWRC), North Carolina Department of Environment and Natural Resources (NCDENR), U.S. Department of Agriculture’s Forest Service (USFS), U.S. Department of Interior’s Fish and Wildlife Service (USFWS), and the Eastern Band of the Cherokee Indians (EBCI). APGI is required to provide an initial deposit of \$100,000 then annual deposits of \$25,000 (both in inflation adjusted dollars) except for the final 3 years of the existing 40-year license. The Fund Board delegated NCDENR-Division of Water Resources (DWR), under the authority of the RSA, to administer and disperse the Fund.

The fiduciary agreement requires that:

“The DENR will submit annually to all members of the Fund Board and the Tapoco Project Licensee, by March 31st:

- a. A detailed accounting of the Fund as of December 31 of the prior year, including all income and disbursements.
- b. An accounting of all cost-share or other contributions to the Fund for the prior calendar year.
- c. Commitments of funds not yet invoiced as of December 31 of the prior year.
- d. The balance of funds available for expenditure in the next year minus remaining commitments and anticipated expenses.
- e. A statement of all fiduciary expenses for the prior year.”

License Transfer

The FERC, in its October 4, 2012 “Order Approving Transfer of License,” approved the transfer of the license for the Tapoco Hydroelectric Project from APGI to Brookfield Smoky Mountain Hydropower LLC (“Brookfield”).¹ Brookfield, through its legal representative, in a December 3, 2012-dated

¹ FERC Accession Number 20121004-3016.

document submitted to FERC “its acknowledgement of acceptance of all the terms and conditions of the License Transfer Order, as well as certified copies of the instruments of conveyance, which demonstrate that [Brookfield] has the necessary rights to maintain and operate Project No. P-2169.”² The project transfer became official on November 15, 2012. The Tapoco Hydroelectric Project’s new name is Brookfield Smoky Mountain Hydro (BSMH).

2012 Board Activities

Jim Mead, with DWR, served as the Fund Board chair for the first half of 2012. Fred Tarver, also with DWR, served for the remainder of 2012. The Fund Board designated Mark Cantrell (U.S. Fish and Wildlife Service – Asheville Regional Office) to serve as 2013 Fund Board chair.

The annual payment of \$29,581.00 was received from APGI and deposited by DWR. (This report refers to calendar year unless otherwise noted.) The beginning balance for 2012 was \$71,675.46 and the ending unencumbered balance is \$31,004.79. A fiduciary report is included as Attachment 1.

The Fund Board held its annual meeting on October 25, 2012. The meeting agenda is included in Attachment 2. No project proposals were considered at the 2012 meeting and none have been received at this time for consideration. Projects previously approved for funding are included in Attachment 3.

The following projects were active in 2012:

- Captive culture and reintroduction of fishes and mussels (NCWRC);
- Propagation of wounded darters (Conservation Fisheries, Inc.);
- Management of Yellow Creek exotic vegetation (The Land Trust for the Little Tennessee);
- Gravel cleaning and installation (NCWRC and McNeely Trucking Co.).

The Fund Board chair agreed to investigate the capture of Fund interest (\$1047.49) by the State of North Carolina in FY2011. The Fund Board chair reported back to the Fund Board by electronic mail on November 6, 2012. The Fund Board has not acted on this matter as of yet.

Graham County expressed an interest in contributing to the Fund. The Fund Board chair sent a letter to the Graham County Manager, dated October 31, 2012, welcoming the county’s interest.

The Land Trust for the Little Tennessee reported matching funds of \$5,307.06 from the USDA Wildlife Habitat Incentives Program (WHIP). Conservation Fisheries Inc. reported match funding of \$2,571.50.

There were no fiduciary expenses incurred by the Fund in 2012.

Brookfield maintains a website for central storage of Fund Board business items at:

www.smokymountainhydro.com/content/recreation_and_environment/nc_fund_board-35712.html.

² FERC Accession Number 20121203-5122.

Attachment 1

CHEOAH RIVER RESOURCE MANAGEMENT AND ENHANCEMENT FUND

Fiduciary Report

December 31, 2012

06/30/11	FY 2010 - 2011 Ending Balance		\$71,675.46
07/01/11	FY Starting Balance		\$71,675.46
03/30/12	Deposit - Alcoa 2012 payment		\$29,581.00
06/30/12	Interest July 1, 2011 to June 30, 2012		\$452.26
06/30/12	Disbursements FY 2011-2012		\$42,748.09
	<i>Virginia Tech (08/02/11)</i>	\$7,390.91	
	<i>Virginia Tech (11/22/11)</i>	\$12,593.58	
	<i>Land Trust for the Little Tennessee (12/20/11)</i>	\$6,000.00	
	<i>Conservation Fisheries, Inc. (01/17/12)</i>	\$7,881.60	
	<i>McNeely Trucking Co. (05/29/12)</i>	\$8,882.00	
06/30/12	FY 2011 - 2012 Ending Balance		\$58,960.63
07/01/12	FY Starting Balance		\$58,960.63
12/31/12	Interest July 1, 2012 to December 31, 2012		\$162.56
12/31/12	Disbursements FY 2012-2013		\$-
12/31/12	Balance ending December 31, 2012		\$59,123.19
12/31/12	Funds encumbered by contract as of 12/31/12		\$(28,118.40)
	<i>Land Trust for the Little Tennessee - Yellow Creek</i>	\$12,000.00	
	<i>Cons. Fisheries, Inc. - Prop. Wounded Darters</i>	\$16,118.40	
12/31/12	Funds available for contracting		\$31,004.79
	Prepared by:		
	Darren England, NC Division of Water Resources		
	March 31, 2013		

Attachment 2

Cheoah River Resource Management and Enhancement Fund

Annual Meeting
October 25, 2012, 1:00 p.m.
U.S. Fish & Wildlife Service Office Conference Room
160 Zillicoa Street
Asheville, NC

Meeting Agenda

1. Introductions
2. Update of Finances
3. Updates of Funded Projects
 - a. Management of Yellow Creek exotic vegetation (LTLT)
 - b. Propagation of wounded darters (CFI)
 - c. Captive culture and reintroduction of fishes and mussels (NCWRC)
4. Review of Fund Proposals for 2013
5. Other Fund Board Business
6. Select Chair for 2013
7. Review Action Items
8. Adjourn

Attachment 3

The 2011 Fund Board approved funding for the following proposals/projects at its **October 4, 2011** annual meeting.

Proposal	Requester	Amount
Captive culture of fish and mussels ¹	NC Wildlife Resources Commission	\$10,000 annually for 2012-2014
Hatchery propagation and reintroduction of Wounded Darters into the Cheoah River	Conservation Fisheries, Inc.	\$8,000 annually for 2012 and 2013
Gravel installation ²	NC Wildlife Resources Commission	\$5,000 for 2012

¹This contract should be awarded after receiving the 2012 APGI payment and the scope of work from WRC.

²This initial estimate was revised following inspection of the stockpiled gravel and decision to clean and install all remaining stockpiled material.

- The 2010 Fund Board approved funding at \$6,000.00 per year (2011-2014) for the management of exotic vegetation in the Yellow Creek watershed by The Land Trust of the Little Tennessee.

Attachment 4

Cheoah River Resource Management and Enhancement Fund
Annual Meeting
October 25, 2012, 1:00 p.m.
USFWS Office and Conference Room
160 Zillicoa Street
Asheville, NC

Meeting Notes

Participants: Chris Goudreau (NCWRC)*
Dan Whyte (Brookfield)
David Harris (Brookfield)
Fred Tarver (NDENR)*
Jason Farmer (USFS)*
Jody Smet (EA Engineering)
JR Shute, Conservation Fisheries
Mark Cantrell (USFWS)*
Marshall Olson (APGI)
Michael Bolt (EBCI)*
Pat Rakes, Conservation Fisheries
Randy Garletts (Brookfield)
Steve Fraley (NCWRC)

* indicates Board member

Meeting Agenda: Attachment 1

Fred Tarver, acting Chairman, convened the meeting and noted that all Board members were in attendance. Fred summarized relevant portions of the Fund Board's Operating Protocol specific to membership, decision making, and annual reporting.

1. Update on Finances

Fred Tarver provided a copy of the financial report for July 1, 2011 through June 30, 2012 and July 1, 2012 through present (Attachment 2). Currently, there is \$59,055.79 in the account. After subtracting outstanding financial obligations, the Fund has approximately \$30,937.39 remaining, not considering the licensee's January 2013 contribution (expected to be approximately \$30,000). Interest accrued on the account; however, a 2010-2011 legislative action removed \$1,047.49 in interest from the account. The Fund Board's Operating Protocol allows interest to accrue to the account, which then becomes exclusive property of the Fund. Additionally, the Relicensing Settlement Agreement (RSA) includes language that any interest accrued by the Fund shall be reinvested in the Fund to be used for the purposes of the Fund. The Fiduciary Agreement between the NC Fund Board and NCDENR does not include this same language. There was some discussion about which of these legal documents governed. Fred agreed to discuss the issue with counsel (Marc Bernstein, Don Layton, Jerry Thornton) within 10 days of the meeting and to advise the Fund Board of counsel's guidance regarding this issue. Then, if appropriate, Fred and others could have conversations with the legislative and/or budget office to try to recapture the funds.

2. Updates of Funded Projects

Management of Yellow Creek exotic vegetation (LTLT)

(See Attachment 3)

Propagation of wounded darters (CFI)

J.R. Shute reported that CFI had released about 300-350 darters at three different sites (lower bridge at Tapoco Lodge, mouth of Yellow Creek, and below Rock Creek) on the Cheoah River in April 2012. Fish are about a year old when they are stocked. Monitoring of the darters is planned for fall 2012. For planning purposes, Mark Cantrell reminded J.R. of the one remaining Cheoah River high flow event on November 3. J.R. said that CFI has relocated wounded darters in the river, but not in high numbers. He commented that the habitat is still fairly limited. Steve Fraley agreed that the river is still lacking appropriate microhabitat. Mark asked if the gravel introductions seemed to be helping. There was some discussion about the best habitat being up by the Baptist church where there are significant inputs of sediment (i.e. more sand) into the river. Steve Fraley asked if future introductions would be made in the same locations or further upstream? J.R. said that CFI will concentrate its reintroductions of the darters in the same few areas to encourage reproduction. Pat Rakes said there needs to be sufficient enough long pool habitats for recruitment larvae to hold in the high gradient river. Pat suggested surveying down near Cheoah Dam to see if any reproduction larvae have been swept downstream as a monitoring priority. Mark commented that there are no high flow events in June and July 2013 or in August 2013 until August 31, which will hopefully provide a more stable period for reproduction and decrease the likelihood of larvae being swept down into the cold trout waters of Calderwood.

Captive culture and reintroduction of fishes and mussels (NCWRC)

Steve Fraley reported good success with NCWRC's propagation efforts. He said that in 2011, NCWRC released 8,000+ wavy-rayed lamp mussels at three sites, and an additional 3,000 rainbow mussels. In 2012, NCWRC released 5,000 wavy-rayed lamp mussels and 3,000 rainbow mussels. Assessment surveys in 2011 and 2012 showed that the reintroduced mussels are doing very well in terms of growth and gravidity. Steve explained that NCWRC's efforts to propagate elktoe for augmentation have been less successful. Recently (October 2012), NCWRC did translocate 97 elktoe adults from the Tuckaseegee River into the Cheoah River in close proximity to the relic population to meet its goals for augmentation. Steve plans to try to propagate elktoes again in the spring of 2013. Steve anticipates no problem in 2013 meeting targets to release additional wavy-rayed lamp mussels and rainbow mussels into the Cheoah River.

Steve said that NCWRC has been releasing spotfin chubs into the Cheoah River for three years now. NCWRC's 2012 assessment surveys exceeded expectations. Continued expansion and breeding activity upstream from the release site, and upstream of the quarry hole, was documented.

Steve committed to submitting a report for the last two years. He asked if he should also submit a proposal for 2013. Chris Goudreau said yes, NCWRC should submit a proposal for 2013; funding in addition to the uncommitted funds will be available in January 2013. Chris suggested a multi-year proposal/contract.

Mark asked Steve what other species NCWRC would like to restore to the Cheoah River. Steve responded sicklefin redbhorse, yellow and smoky madtoms, stone cat, and the olive darter. Steve said that the mussels are limited by available habitat. Mark agreed that smaller, finer substrates were needed; there is plenty of woody debris. Mark asked Steve about his observations with the flow regime. Steve said that all results have been positive, so he could not say anything but good things

about the flows. He noted that there has been algal growth and an explosion of hydrilla during the summer low flows, but this is usually broken up and washed away during high flow events. Mark asked Steve if he was seeing less of a species. Steve said that anecdotal observations indicate overall lower densities for all fish except for smallmouth bass. He could not be sure why, but suggested it might just be an adjustment to a new normal?

3. Review of Fund Proposals for 2013

There were no proposals for 2013 to review. Steve Fraley said again that NCWRC anticipates submitting a proposal for 2013 to continue its propagation and reintroduction of fishes and mussels into the Cheoah River.

It was noted that Graham County is willing to contribute \$1,000 to the NC Fund on an annual basis. Fred Tarver agreed to review the Operating Protocol in terms of receiving gifts and to discuss the issue with Darren England, NCDWR, and then he would write a letter to Graham County accepting the gift.

4. Other Fund Board Business

Chris Goudreau identified a need to update the NC Fund Board website with reports, copies of contracts etc. Chris will continue to work to collect the information that needs to be posted on the website and will work with the licensee to get it posted. Chris also committed to working with Darren England to close out old contracts and unencumber any unspent funds.

5. Select Chair for 2013

By consensus agreement, the Board elected Mark Cantrell as the Board's chairman for 2013. Mark agreed to establish funding priorities moving forward. There was some discussion about funding educational projects, such as informational kiosks about the river restoration, moving forward.

6. Review Action Items

Fred Tarver reviewed the following action items:

- Fred will contact legal counsel about the issue of interest monies being removed by the State from the Fund and will report back to the Fund Board within 10 days.
- Fred will discuss Graham County's offer of a gift to the Fund with Darren England, and others as appropriate, and draft a letter to the County accepting its offer.
- Chris Goudreau will work with Darren England to close out any old contracts and unencumber unspent funds.
- Chris will work with the licensee to update the NC Fund Board website.
- Mark Cantrell will serve as Fund Board chairman beginning January 1, 2013.

**Tallassee Fund
Annual Report 2012**

This annual report is submitted to satisfy the requirements of the Tapoco / Smoky Mountain Hydro Project Relicensing Settlement Agreement that requires an annual report be prepared and distributed to the members of the Board and the advisors, in the 1st quarter of each year covering activity in the previous calendar year. This written report summarizes what the Tallassee Board has accomplished to date specifically to accomplish the purposes of the Board and to implement the Fund.

Background. On January 25, 2005, the Federal Energy Regulatory Commission issued Alcoa Power Generating Inc. (APGI) a new License, effective March 1, 2005, for the Tapoco Hydroelectric Project, FERC hydropower project No. 2169-020 ("Project"). The FERC license order also approved an offer of settlement filed by APGI on behalf of itself and most of the major parties to the relicensing proceeding. The new license contains conditions incorporating, with certain exceptions, the terms of the settlement agreement, including establishment of the Tallassee Fund.

The Tapoco Project Relicensing Settlement Agreement (hereafter RSA)(Appendix A, Section 7.3 and Section 8.3) requires the Licensee to file with the Commission prior to June 30 of each year, a report prepared by the beneficiary entities on the implementation and status of funding proposals approved pursuant to the NC and Tallassee funds that reflects the amount of payments deposited into and disbursed from the funds and the specific activities undertaken with monies from the funds in the previous calendar year. The Tapoco Project RSA (Appendix B-4) requires the Tallassee Board to deliver a final report to APGI by June 15 of each year to enable APGI to file a copy of the report with the Commission prior to June 30.

The Tallassee Fund was established through the Settlement Agreement among numerous parties to the relicensing proceeding for the Project. The Settlement Agreement was adopted and approved by FERC in its Relicensing Order dated January 25, 2005, which granted a 40-year license to APGI, effective March 1, 2005. The settling parties agreed to create the Tallassee Fund through Section 2.3 and Appendix B-4.2 of the Settlement Agreement. The Licensee is required to provide \$100,000 per year (in inflation-adjusted dollars) to the Fund for each of the 40 years of the license. Pursuant to Appendix B-4.2, Section IV, the Board of the Fund is to be comprised of one representative each from the following entities: The U.S. Fish and Wildlife Service, the U.S. Forest Service, Great Smoky Mountains National Park (a unit of the National Park Service), the Tennessee Department of Environment and Conservation, the Tennessee Wildlife Resources Agency, The Eastern Band of Cherokee Indians, The Nature Conservancy, the National Parks Conservation Association, the Tennessee Clean Water Network, and American Rivers. APGI serves as an advisory member of the Board.

License Transfer. During the term of this report, the license for the Tapoco Hydroelectric Project was transferred from APGI to Brookfield Smoky Mountain Hydropower LLC (Brookfield). Brookfield accepted of all the terms and conditions of the License to maintain and operate Project No. P-2169. The project transfer became official on November 15, 2012. The project is now Brookfield Smoky Mountain Hydro (BSMH).

2012 Report. Pursuant to the Tallassee Fund Bylaws, the Settlement Agreement, and the License, we conducted our annual meeting of the Tallassee Fund Board during the 4th Quarter of 2012; the meeting

was held on December 10, 2012 (10a-3p) at 625 Market Street, Knoxville, TN (Attachment 1). At the meeting the Board heard progress reports on funded projects, discussed priorities for the upcoming year, reviewed project proposals, and agreed to fund appropriate projects for 2013.

The high priority projects funded by the Tallassee Fund to date, including the new projects for 2012- 2013 are tabulated in the attached financial report (Attachment 2). These projects will continue to further the purposes of the Tallassee Fund by helping to restore and protect biological resources in the project area and reduce the impacts of invasive plant and animal species in the BSMH lands and vicinity.

The Tallassee Fund Board established priorities for 2013 that focused primarily on watershed conservation, and included exotic species control, rare species reintroductions, and cultural resource preservation.

These projects were funded for 2012-2013+. Additional projects are pending.

Title	Grantee	Amount
2012		
Eastern hemlock wooly adelgid	Great Smoky Mountains National Park	\$20,000
Intensive Control of Wild Hogs	Great Smoky Mountains National Park	\$21,000
Total for 2012		41,000
2013		
Propagation of blotchside logperch for reintroduction	Conservation Fisheries, Inc.	\$28,000
Closing costs - Tallassee Tracts	The Nature Conservancy	\$tbd
Total for 2013		28,000

2013 Annual Meeting Scheduled. The Fund Board will hold its annual planning meeting during the fourth quarter, a yet to be determined day of the first week of December 2013, to review the status of funded proposals for 2013 and consider funding priorities and requests for 2014.

Contacts. If you have any questions about the Tallassee Fund, or its operation during the term of this report, please contact 2012 Board Chair, Ms. Renée Victoria Hoyos, Executive Director, Tennessee Clean Water Network 865.522.7007 x100. The Board Chair for 2013 is Mr. Alex J. Wyss .awyss@tnc.org. This Annual Report was prepared by Mr. Mark Cantrell, mark_a_cantrell@fws.gov.

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Attachment 1. Tallassee Fund 2012 Annual Meeting Summary.

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Tallasee Fund
 Annual meeting
 December 10, 2012
 625 Market St. 15th Floor
 Knoxville, TN 37902

ATTENDING

BOARD	GUESTS
David McKinney* - TWRA	Jody Smet* - EA Engineering, Science, and Technology, Inc.
Renee Hoyos – TCWN rene@tcwn.org	Mike Sabad – Brookfield Smoky Mtn Hydro Michael.sabad@brookfieldrenewable.com
Don Barger – NPCA dbarger@npca.org	Myra Hair – Brookfield Smoky Mtn Hydro Myra.hair@brookfieldrenewable.com
Katherine Foster – USDA - FS Kfoster01@fs.fed.us	Charlie Rhodarmer – Sequoyah Birthplace Museum segmus@tds.net
Alex Wyss – TNC TN Chapter awyss@tnc.org	
Jeff Troutman – NPS GRSM Jeff.trouman@nps.gov	
Larry Everett - TDEC	
Mark Cantrell – USFWS Mark_a_cantrell@fws.gov	Unable to attend: Mike Bolt, Eastern Band of Cherokee Indians
Rebecca Haynes* - AR	

*p = via phone conference

10:08 a.m.

Financial Report

We currently have \$85,831 in reserve from 2011. We will receive \$120,444 from Alcoa (Now Brookfield Smoky Mtn Hydro) as of January 1, 2013 bringing the total to \$206,275. There will be a small administrative task performed by TWRA in order to manage funds greater than \$120,000. Dave said there should be no concern there.

Term land sale and update on purchase options

TNC is working with the TIGRE agencies to purchase the T-1 properties and requested that land acquisition be a funding priority for the board. TNC requested a letter of support from the board to dedicate funding from the Tallasee fund for land acquisition.

Funding priorities

The board agreed to the following priorities: Land Acquisition and invasive species removal.

We appreciate the time and support you have given to attend this meeting and help keep Tennessee's water clean.

2013 RFP

The RFP will go out with a deadline of March 1, 2013. The priority funding will go towards support to acquiring the T-1 properties, then to invasive species eradication. If there is any funding left, the board will reach out to previously funded organizations for submissions.

Departure from agenda – review of artwork from Sequoyah Museum project. Board members present in Knoxville reviewed the submissions and selected approximately a dozen pieces for scanning. Scans will be sent to the full board for voting. The selection will be our logo for the website as well as letterhead. There were some very nice submission that may be used as artwork for the website. As well, Brookside may choose to frame and display some submissions.

New Chairman

Alex Wyss – TNC Tennessee Chapter will be the chair for 2013.

2013 Meeting Dates

There will be two meetings in 2013: early March meeting to review grant requests for 2013 and tentatively first week of December 2013 for the annual meeting.

We appreciate the time and support you have given to attend this meeting and help keep Tennessee's water clean.

Attachment 2. Tallassee Fund Financial Report



TENNESSEE WILDLIFE RESOURCES AGENCY

ELLINGTON AGRICULTURAL CENTER
P. O. BOX 40747
NASHVILLE, TENNESSEE 37204

To: Tallassee Fund Board

From: David McKinney

Date: June 6, 2013

Subject: 2013 Financial Report

Questions, comments, recommendations, please contact me at 615-533-4364 or dave.mckinney@tn.gov.

Thank you.

The State of Tennessee

TO AN EQUAL OPPORTUNITY, EQUAL ACCESS, AFFIRMATIVE ACTION EMPLOYER

TALLASSEE FUND
June 6, 2013

I. Contributions to Date

2006	\$206,886
2007	\$108,044
2008	\$110,842
2009	\$113,580
2010	\$114,216
2011	\$115,564
2012	\$118,326
2013	\$120,444
Total	<u>\$1,007,902</u>

II. Obligations to Date

Group I	\$192,734
Group II	\$221,811
Group III	\$ 38,500
Group IV	\$115,400
Group V	\$114,500
Group VI	\$116,000
Group VII	\$ 41,000
Group VIII	\$28,000
Total Obligations	<u>\$829,645</u>

III. Summary

Contributions +	\$1,007,902
Obligations -	\$ 829,645
Reserve	\$178,257

IV. 2014 Anticipated Contribution

\$121,500

TALLASSEE FUND

DATE: January 21, 2013
CHEQUE: 1022
INVOICE: \$120,444.00
DESCRIPTION: Brookfield Smoky Mountain Hydropower LLC
Tallassee Fund

TALLASSEE FUND GRANTS: GROUP I

November 2005

Grant Name	Title	Grant Number	Dates	Amount
Conservation Fisheries, Inc.	Propagation of Blotchside logperch (<i>percina burtoni</i>) for reintroduction into the Abrams Creek, the Citico Creek, and the Tellico River	GR-07-20327-00	1/1/2007 - 6/30/2008 One Year	\$20,000
Foothills Land Conservancy	Conservation Easement	GR-07-20584-00	1/1/2007 - 6/30/2008 One Year	\$30,000
Great Smoky Mountains National Park	Threatened and Endangered Fishes in Abrams Creek)	GG-07-20852-00	1/1/2007 - 6/30/2008 One Year	\$38,869
Great Smoky Mountains National Park	Removal of exotic species in the Southwestern portion of the park)	GG-07-20851-00	1/1/2007 - 6/30/2008 One Year	\$54,000
Great Smoky Mountains National Park	To control and keep update status of an invasive Asian Earthworm	GG-07-2085-00	1/1/2007 - 6/30/2008 One Year	\$20,505
Tennessee Technological University – Cooperative Fishery Research Unit	Reintroduction of Mussels into the Little Tennessee River and Calderwood Dam By-Pass	ED-07-20330-00	1/1/2007 - 6/30/2008 One Year	\$29,360
AMOUNT TOTALS				\$192,734

TALLASSEE FUND GRANTS: GROUP II

November 2006

Grant Name	Title	Grant Number	Dates	Amount
Conservation Fisheries, Inc.	Propagation of Blotchside logperch (<i>percina burtoni</i>) for reintroduction into the Abrams Creek, the Citico Creek, and the Tellico River	GR-09-23502-00	07/01/2008 – 6/30/2009 One Year	\$20,000
Great Smoky Mountains National Park	Wild Hog Control and Disease Monitoring	GG-09-23686-00	07/01/2008 – 6/30/2009 One Year	\$17,000
Great Smoky Mountains National Park	Threatened and Endangered Fishes in Abrams Creek	GG-09-23688-00	07/01/2008 – 6/30/2009 One Year	\$35,529
Great Smoky Mountains National Park	Aquatic Species Assessments – Abrams Creek Watershed	GG-08-23687-00	03/01/2008 – 6/30/2009 One Year	\$14,202
Partners of the Cherokee National	Non-native Invasive Plant Survey	GR-08-23683-00	03/01/2008 – 6/30/2009 One Year	\$63,300
USFWS	Monitor Levels of Gene-flow/migration	GG-09-235370-00	07/01/2008 – 6/30/2009 One Year	\$40,780
TTU	Reintroduce Mussels into the Little Tennessee River and Calderwood Dam By-Pass	ED-09-26487-00	09/01/2008 – 6/30/2009 One Year	\$25,000
Total Amount				\$221,811

TALLASSEE FUND GRANTS: GROUP III

November 2007

Grant Name	Title	Grant Number	Dates	Amount
USDA-Forest Service, Southern Research	Roost Ecology of the Federally Endangered Indiana Bat	GU-09-27813-00	04/01/2009 – 06/30/2010 One Year	\$28,500
University of Georgia	Removal of Exotics from the National Park Little Tennessee River Corridor	GR-09-27114-00	01/01/2009 – 06/30/2009 One Year	\$10,000
Total Amount				\$38,500

TALLASSEE FUND GRANTS: GROUP IV

November 2008

Grant Name	Title	Grant Number	Dates	Amount
Great Smoky Mountains National Park	Aquatic Species Assessment – Abrams Creek Watershed		07/01/2009- 06/30/2010 One Year	\$10,000
Great Smoky Mountains National Park	Inventory and Baseline Monitoring of Newly Acquired Lands in the Great Smoky Mountains National Park		07/01/2009- 06/30/2010 One Year	\$18,400
Great Smoky Mountains National Park	Wild Hog Control and Disease Monitoring in Southwestern Portions of the Great Smoky Mountains National Park		07/01/2009- 06/30/2010 One Year	\$21,000
Tennessee Aquarium Research Institute	Reintroduction of Hellbenders		07/01/2009- 06/30/2010 One Year	\$16,000
Tennessee Technological University, Cooperative Fishery Research Unit	Reintroduction of Mussels into the Little Tennessee at the Calderwood Dam By-Pass		07/01/2009- 06/30/2011 Two Year	\$50,000
Total Amount				\$115,400

TALLASSEE FUND GRANTS: GROUP V

November 2010

Name	Title	Grant Number	Dates	Amount
Freshwater Illustrated	Documentary Media Little Tennessee Watershed		7/1/2010-6/30/2012 Two Years	\$30,000
Great Smoky Mountain National Park	Assessment of Exotic Hogs	19187-GG1130808	7/1/2010-6/30/2011 One year	\$21,000
Great Smoky Mountain National Park	Algal Species Inventory & Water Chemistry of lower Abrams Creek	19387- GG1130930	7/1/2010-6/30/2011 One year	\$6,000
Great Smoky Mountain National Park	Removal of Invasive Plant Species	19146-GG103077	7/1/2010-6/30/2012 Two years	\$40,000
USGS	Collect and Identify Diplectrona and D. metaqui species	20219-GU1031320	1/10/2011-6/30/2011 One year	\$7,500
Amount Totals				\$114,500

TALLASSEE FUND GRANTS: GROUP VI

November 1, 2011

Name	Title	Grant Number	Dates	Amount
Freshwater Illustrated	Documentary Media Little Tennessee Watershed	25137-GR1134549	4/1/11-6/30/12	\$17,500
Great Smoky Mountain National Park Jesse Webster	Eastern Hemlock Conservation Woolly Adelgid Control	25138-GG1234550	7/1/11 – 6/30/12	\$20,000
Indiana State Joy O'Keefe	Roost Ecology Eastern small-footed bats	26294-GR1235231	7/1/2011-6/30/2013	\$32,000
Great Smoky Mountains National Park Kristine Johnson	Fire Bird Habitat	25788-GG1234905	7/1/11 – 6/30/12	\$21,500
Great Smoky Mountains National Park Bill Stiver	Invasive Wild Hog Control	25297-GG1134634	5/1/11 – 6/30/12	\$21,000
Sequoyah Birthplace Museum Charlie Rhodarmer	Tallassee Fund Branding	26175-GR1235179	7/1/11 – 6/30/12	\$4,000
AMOUNT TOTALS				\$116,000

TALLASSEE FUND GRANTS: GROUP VII

June 2012

Name	Title	Grant Number	Dates	Amount
Great Smoky Mountain National Park Jesse Webster	Eastern Hemlock Conservation Woolly Adelgid Control	25138-GG1234550	7/1/11 – 6/30/12	\$20,000
Great Smoky Mountains National Park Bill Stiver	Invasive Wild Hog Control	25297-GG1134634	5/1/11 – 6/30/12	\$21,000
AMOUNT TOTALS				\$41,000

TALLASSEE FUND GRANTS: GROUP VIII

June 2013*

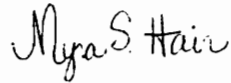
Name	Title	Grant Number	Dates	Amount
Conservation Fisheries	Propagation of Blotchside logperch (<i>Percina burtoni</i>) for reintroduction into the Tellico River and Citico Creek	Pending	July 2013 – June 2015 Two years	\$28,000
AMOUNT TOTALS				\$28,000

*The Tallassee Fund Board will consider Grant proposals at the 2013 meeting, to be scheduled.

Certificate of Service

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list in this proceeding in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure.

Dated at Tallassee, Tennessee this 24th day of June 2013.



Myra Hair
Compliance Specialist
Brookfield Smoky Mountain Hydropower
314 Growdon Boulevard
Tallassee, TN 37878
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