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As Drought Conditions Persist, New Yadkin FERC License Governs Lake Levels

BADIN, N.C. (March 28, 2017) — With drought conditions in the Yadkin Pee-Dee watershed continuing, lake levels on High Rock and Badin Lakes are being adversely impacted.

New hydro project owner Cube Hydro Carolinas operates the Yadkin Project (FERC No. 2197) and maintains both the Narrows Reservoir (Badin Lake) and High Rock Lake elevations in accordance with the Federal Energy Regulatory Commission Project license, issued September 22, 2016, and the North Carolina 401 Water Quality Certificate (401). The Project license requires Cube to maintain the elevation of Narrows Reservoir within 5-feet of the full pond elevation, except as needed to maintain required minimum flows, or as specified under the Low Inflow Protocol (LIP) of both the FERC License and 401.

Included in the new FERC license is a minimum project outflow schedule requirement where the average daily outflow is measured on a cubic foot per second (cfs) basis. From February 1st through May 15th the requirement is 2000 cfs. May 15th through June 1st the requirement is 1500 cfs and from June 2nd through January 31st the requirement is 1000 cfs.

Since October 1st of 2016 inflows to the Yadkin project have been less than one half of the 50-year inflow average. The average inflow for the month of March is below 2000 cfs, whereas, the long-term inflow average for March is more than 7000 cfs. This results in the pond levels being drawn down in order to meet the required minimum flows.

If the present conditions persist a point will soon be reached where the LIP is triggered. Under the LIP operating condition, the drawdown of High Rock Lake is initially matched with the drawdown of Badin Lake. If hydrologic conditions continue to worsen and reservoir storage continues to drop, Cube will meet with designated agencies and water users to discuss the need to implement the progressive stages of the LIP.

Cube Hydro Carolinas is committed to operating the hydroelectric plants in compliance with the FERC license and 401, and in a manner, that balances the environmental, recreation and power generation activities of the Yadkin hydroelectric facilities.

Additional information regarding lake level forecasts, and low inflow conditions and protocols (LIP) is available on the Project website at <http://cubecarolinas.com/lake-levels/> and <http://cubecarolinas.com/low-inflow-protocol/>.

About Cube Hydro Carolinas

The mission of Cube Carolinas is to acquire, modernize, and manage hydroelectric facilities and develop power at unpowered dams in North Carolina. And by doing so, demonstrate the value of renewable hydropower and reduce our nation's reliance

on harmful carbon-based energy. Assets are managed through Cube Carolinas' subsidiaries, Cube Yadkin Generation and Cube Yadkin Transmission. Cube Carolinas is an affiliate of Cube Hydro Partners, a hydropower development and operating platform targeting investments in mid-size hydro projects in the U.S. and Canada. Visit www.cubehydropartners.com for more information about Cube Hydro Partners.