LAKE NORMAN MARINE COMMISSION
CHARTER BOAT REGULATIONS

SECTION 1. SHORT TITLE

These regulations may be cited as the Lake Norman Charter Boat Regulations.

SECTION 2. JURISDICTIONAL BOUNDARIES

These regulations shall apply to the waters of Lake Norman, the boundaries of which are described in Chapter 77, Article 6B of the North Carolina General Statutes.

SECTION 3. DEFINITIONS

As used in these regulations:

(a) "Advertise" means to make an announcement, and includes, without limitation, the following ways of making an announcement: person-to-person communications, whether verbal or in writing, including by posting signs, handing out flyers, or sending letters or e-mails; communications by radio; communications by publication in a newspaper, magazine, or any other printed media; electronic communications via a website or social media; and communications by video or other visual media, such as on television or internet-based video services.

(b) "Captain" means the individual in command of a Charter Boat who is responsible for its safe operation and for the safety of all passengers and crew, and who holds the license or documentation required by Section 4(b)(3).

(c) "Charter Boat" means any boat that is hired for, or advertised for hire for, a cruise on Lake Norman and to provide specific services, including any of the following: sightseeing, food, beverages, or fishing. A Charter Boat that is a Commercial Non-Mechanical Powered Vessel is subject to these regulations except Sections 4(b)(4) through 4(b)(7). A fishing boat, sailboat, or other charter boat carrying eight (8) or fewer passengers is not subject to these regulations, but may be considered a charter boat by Duke Energy and subject to the Shoreline Management Plan requirements in effect at the time.

(d) "Charter Boat Inspection" means an inspection as designated by the Lake Norman Marine Commission and the United States Coast Guard Auxiliary.

(e) "Charter Boat Permit" means the permit issued by the Commission under Section 4 authorizing the operation of a Charter Boat on Lake Norman.

(f) "Commercial Marina Facility" means a marina, as defined by Duke Energy's Shoreline Management Plan, that has been specifically identified as suitable for Charter Boat operations by Duke Energy and the Commission. An eligible marina must have specific

approval from the Federal Energy Regulatory Commission (FERC) to host Charter Boat operations.

(g) "Commercial Non-Mechanical Powered Vessel" means a Charter Boat that is not powered by a gas, electric, or diesel engine, and includes paddle boats and pedal boats.

(h) "Commission" means the Lake Norman Marine Commission.

(i) "Islands" means the islands located in Lake Norman that are owned by Duke Energy or designated in Duke Energy's Shoreline Management Plan for public recreation.

(j) "Manifest" means a listing of all charter passengers, with appropriate contact information for each passenger, prepared for each charter.

(k) "Marine Liability Insurance" means a special liability insurance policy that covers passengers on Charter Boats while embarked, including during the loading and unloading of passengers.

(l) "Operations Plan" means the plan prepared by the Charter Boat owner, stating at a minimum: where the boat will be permanently moored; the type of passenger service planned; the type and details of the boat(s) to be operated; the type of food and beverage service planned; and the parking arrangements that have been made.

(m) "Public Access Area" means any Duke Energy-owned or -managed recreation site designated for public access under the FERC-approved Recreation Management Plan.

(n) "Recreation Management Plan" or "RMP" means the FERC-approved management document required under the Catawba-Wateree Hydroelectric Project license that governs the planning, development, operation, maintenance, and use of Duke Energy-owned public recreation facilities, including Public Access Areas and designated Islands. References to the RMP mean the most current version of the RMP approved by FERC.

(o) "Shoreline Management Plan" or "SMP" means the FERC-approved management document required under the Catawba-Wateree Hydroelectric Project ("Project") license. The SMP is a comprehensive management tool to ensure that Duke Energy supervises and manages requests for shoreline development and usage consistent with Project purposes. References to the SMP mean the most current version of the SMP approved by FERC.

SECTION 4. REGULATIONS FOR OPERATING CHARTER BOATS

(a) Permit Required. Operating a Charter Boat on Lake Norman requires a Charter Boat Permit from the Commission, which must be prominently displayed on the boat at a location visible to passengers. The Charter Boat Permit must identify the period for which it is valid and must be renewed by April 1 of each year. Upon request, the Captain must allow any law

enforcement officer to examine the Charter Boat Permit. A fee is required for each permit requested. The fee will be set annually, before distribution of the application materials, in an amount necessary to cover the expense of inspections and permits.

Among the factors the Commission will consider before issuing a Charter Boat Permit are any matters pertaining specifically to public safety and any violations of federal, state, or local laws, including Duke Energy's Shoreline Management Plan or Recreation Management Plan. Once the Commission has issued a Charter Boat Permit, the owner must apply to the appropriate county or municipality for a business permit and approval of the boat's Operations Plan.

(b) Permit Requirements. Owners of Charter Boats wishing to obtain a Charter Boat Permit and operate on Lake Norman must, at a minimum, satisfy the following requirements:

(1) Liability Insurance. Submit proof of Marine Liability Insurance of at least $300,000, with a minimum of $15,000 per person based on the rated boat capacity. For example, a boat with a rated capacity of 75 persons would need a minimum of $1,125,000 of liability insurance.

(2) Charter Boat Inspection. Submit proof of a successful Charter Boat Inspection. A list of qualified inspectors will be provided when a Charter Boat Permit is requested.

(3) Captain(s). Submit proof that the Captain(s) of the Charter Boat are qualified. A Captain must hold a valid U.S. Coast Guard Master's license and must submit a copy of that license to satisfy this requirement. The Captain is solely responsible for the safe operation of the vessel and for the safety of all passengers and crew, and is not subordinate to any other person on board, including the vessel owner. Captains and operators of Commercial Non-Mechanical Powered Vessels are not required to hold a U.S. Coast Guard Master's license, but must submit a letter attesting that the vessel meets applicable Coast Guard requirements and that the operator has the experience and training (including first aid and CPR) required of a holder of an "Operator of Uninspected Passenger Vessels" (OUPV) license, a type of U.S. Coast Guard charter license.

(4) Permanent Location. Obtain written permission from an appropriate Commercial Marina Facility for Charter Boat operations, including vessel mooring and the loading and unloading of passengers. The location must have 24-hour direct access to a fixed, working, commercial marine-grade sewage pump-out facility.

(5) Other Sites and Operations. The owner must agree in writing: (i) not to use any facility other than a Commercial Marina Facility in compliance with Duke Energy's Shoreline Management Plan for docking or berthing; (ii) not to operate from a Duke Energy Public Access Area or in any manner that violates Duke Energy's Recreation

Management Plan - Charter Boat operations, including advertising, staging, launching, pickup or drop-off of passengers, and conducting rental transactions, are prohibited at Duke Energy Public Access Areas; and (iii) not to moor at Islands, except those approved by Duke Energy for public recreation purposes, and not to moor after sunset at those approved Islands except by approved special request. While cruising on the lake, the boat must operate at no-wake speed within 200 feet of the shoreline and within 150 feet of any dock or other structure.

(6) County or Municipality Requirements.

(A) Harboring or mooring of any existing or proposed Charter Boat, whether on an incidental, occasional, routine, or permanent basis, shall occur only within a Commercial Marina Facility approved by Duke Energy and the Commission.

(B) Before consideration by the county or municipality, the applicant must submit an Operations Plan incorporating the requirements of these regulations to the Commission for approval. If the plan is approved, the Commission will issue a Charter Boat Permit and advise the appropriate county or municipality, which will then decide whether to issue the appropriate business permit.

(C) Adequate on-site parking must be provided at the Commercial Marina Facility specifically to serve this use.

(7) Boat Requirements.

(A) The boat must be equipped with radar, must meet all Coast Guard requirements for its class, and must not exceed 90 feet in registered or documented length.

(B) The boat must meet applicable passenger weight limit requirements, based on an assumed passenger weight of 185 pounds per passenger, in accordance with Coast Guard regulations (46 C.F.R. § 170.090(g)).

(8) Manifest. All Charter Boats must prepare and retain a Manifest for each charter.

SECTION 5. VIOLATIONS; PENALTY

(a) It shall be unlawful to operate a Charter Boat on the waters of Lake Norman without a valid Charter Boat Permit prominently displayed as required by these regulations.

(b) It shall be unlawful for any person to offer to provide Charter Boat services, to Advertise that they are operating a Charter Boat on the waters of Lake Norman, or to Advertise that they have a Charter Boat available to operate on the waters of Lake Norman, unless the Charter Boat has a valid Charter Boat Permit.

(c) It shall be unlawful for the Captain of a Charter Boat to operate the boat without having in the Captain's possession the license or documentation required by Section 4(b)(3), or to refuse to allow a law enforcement officer to examine that license or documentation.

(d) It shall be unlawful to operate a Charter Boat on the waters of Lake Norman between the hours of 12:00 midnight and 9:00 a.m., except while moving the boat with only a crew of no more than six (6) persons aboard, and except on New Year's Eve, July 4th, or other special occasions approved by the Commission upon request.

(e) It shall be unlawful for any facility other than an eligible Commercial Marina Facility to service a Charter Boat.

(f) It shall be unlawful to operate a Charter Boat after receiving written notice from the Commission that the boat is operating in violation of these regulations.

(g) Any person who violates any provision of these regulations shall be guilty of a Class 3 misdemeanor and, upon conviction, shall be subject to a maximum fine of five hundred dollars ($500.00), imprisonment, or both. Each violation shall be considered a separate and distinct offense, and each day of continued violation shall be considered a separate offense. In addition, a violator may be subject to appropriate injunctive relief.

(h) Any person who violates any provision of these regulations and whose Charter Boat Permit is revoked as a result shall not be eligible to apply for a new Charter Boat Permit for one (1) year.

SECTION 6. EFFECTIVE DATE

These regulations shall take effect on January 1, 2027, and shall supersede all prior charter boat regulations.