KELLOGG, HUBER, HANSEN, TODD, EVANS & FIGEL, P.L.L.C.

SUMNER SQUARE
1615 M STREET, N.W.
SUITE 400
WASHINGTON, D.C. 20036-3209

(202) 326-7900 FACSIMILE: (202) 326-7999

June 26, 2008

By E-Mail and First Class Mail

Special Master Kristin L. Myles Munger, Tolles & Olson LLP 560 Mission Street, 27th Floor San Francisco, California 94015

> Re: South Carolina v. North Carolina, No. 138, Original: South Carolina's Fifth Progress Report

Dear Special Master Myles,

In advance of the telephonic hearing scheduled for Monday, June 30, 2008, we respectfully submit South Carolina's fifth progress report.

Since the last status conference on May 23, 2008, the party States have filed, at the Special Master's direction, opening and responsive briefs on the remaining disputes regarding the Case Management Plan. Separately, the party States have submitted opening and responsive briefs regarding the issues to be resolved in Phases One and Two of this case and the appropriate schedule for Phase One discovery. South Carolina looks forward to addressing these matters during Monday's hearing.

In addition, pursuant to the Special Master's Order during the May 23, 2008 status conference, South Carolina served its first set of document requests on both North Carolina and limited intervenor Duke Energy on June 23, 2008.

Respectfully submitted,

Jan Fellik

David C. Frederick Special Counsel to the

State of South Carolina

Attached Service List

cc:

IN THE SUPREME COURT OF THE UNITED STATES

No. 138, Original

STATE OF SOUTH CAROLINA, Plaintiff,

v.

STATE OF NORTH CAROLINA,

Defendant.

CERTIFICATE OF SERVICE

Pursuant to Rule 29.5 of the Rules of this Court, I certify that all parties required to be served have been served. On June 26, 2008, I caused copies of South Carolina's Fifth Progress Report to be served by first-class mail, postage prepaid, and by electronic mail (as designated) on those on the attached service list.

David C. Frederick Special Counsel to the State of South Carolina

SERVICE LIST

Christopher G. Browning, Jr.
(cbrowning@ncdoj.gov)
James C. Gulick
(jgulick@ncdoj.gov)
Marc D. Bernstein
(mbernstein@ncdoj.gov)
J. Allen Jernigan
(ajern@ncdoj.gov)
Jennie W. Hauser
(jhauser@ncdoj.gov)
North Carolina Department of Justice
P.O. Box 629
Raleigh, North Carolina 27602
(919) 716-6900

Counsel for the State of North Carolina

Thomas C. Goldstein (tgoldstein@akingump.com) Akin Gump Strauss Hauer & Feld, LLP 1333 New Hampshire Avenue, NW Washington, D.C. 20036 (202) 887-4000

Jim Sheedy (jimsheedy@driscollsheedy.com) Susan Driscoll (sdriscoll@driscollsheedy.com) Driscoll Sheedy, P.A. 11520 North Community House Road Building 2, Suite 200 Charlotte, North Carolina 28277 (704) 341-2101

Counsel for the Catawba River Water Supply Project

James T. Banks (jtbanks@hhlaw.com) H. Christopher Bartolomucci (hcbartolomucci@hhlaw.com) Hogan & Hartson LLP 555 Thirteenth Street, N.W. Washington, D.C. 20004 (202) 637-5600

DeWitt F. McCarley (dmccarley@ci.charlotte.nc.us) City Attorney Office of the City Attorney 600 East Fourth Street Charlotte, North Carolina 28202 (704) 336-2254

H. Michael Boyd (hmboyd@ci.charlotte.nc.us) Senior Assistant City Attorney Charlotte-Mecklenburg Utilities 5100 Brookshire Boulevard Charlotte, North Carolina 28216 (704) 391-5110

Counsel for City of Charlotte, North Carolina

Carter G. Phillips (cphillips@sidley.com) Virginia A. Seitz (vseitz@sidley.com) Ileana M. Ciobanu (iciobanu@sidley.com) Sidley & Austin LLP 1501 K Street, N.W. Washington, D.C. 20005 (202) 736-8270

Garry S. Rice (gsrice@duke-energy.com) Associate General Counsel Duke Energy Corp. Legal Affairs – EC03T P.O. Box 1006 Charlotte, North Carolina 28201-1006 (704) 382-8111

Counsel for Duke Energy Carolinas, LLC