

## SETTLEMENT AND RELEASE AGREEMENT

THIS SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS (this “Agreement”) is made and entered into this 27<sup>th</sup> day of JUNE, 2015, by and among DUKE ENERGY PROGRESS, INC., a North Carolina corporation (“DEP”), DUKE ENERGY CAROLINAS, LLC, a North Carolina limited liability company, (“DEC”), (DEC and DEP collectively referred to as “Duke”) and CHATHAM COUNTY (“Chatham County”), a political subdivision of the State of North Carolina and a body politic and corporate. Chatham County and Duke are collectively referred to herein as the “Parties.”

### RECITALS

A. Within the geographic boundaries of Chatham County is an abandoned clay mine (commonly known as the Brickhaven Site) located in southeast Chatham County, North Carolina and more particularly described in deed from General Shale Brick, Inc. to Green Meadow, LLC, dated the 13<sup>th</sup> day of November, 2014, and recorded in Book 1770, Page 99, Chatham County Registry (the “Site”). The Site contains 333.55 acres, more or less, and includes the abandoned clay mine and additional, adjoining real estate. Record title to the Site is held by Green Meadow, LLC.

B. Subject to and in accordance with North Carolina and federal law, Duke Energy Business Services, LLC, as agent for and on behalf of DEP and DEC, has contracted with Charah, Inc. (“Charah”) to transport certain Coal Ash (as hereinafter defined) from DEC and DEP facilities for use as structural fill at the Site.

C. Following the public announcement of Duke’s plans to beneficially reuse certain Coal Ash as structural fill at the Site, the Chatham County Board of Commissioners engaged counsel to explore claims against Duke in connection with its proposed use of the Site and has under consideration legal action against Duke and Charah due to the County’s assertion of

potential negative impacts the placement of the Coal Ash at the Site could have on the environment and property values in Chatham County. Any such legal action by Chatham County would have a detrimental impact on Duke's ability to timely and cost-effectively comply with state and federal law regarding disposition of Coal Ash (as hereinafter defined). The subject of the recitals contained in this paragraph is hereinafter referred to as the "**Dispute.**"

**D.** In lieu of protracted litigation, and without admission of liability or wrongdoing by any party hereto, the Parties have agreed to fully and finally compromise and resolve the Dispute and any and all matters arising out of or related to the Dispute according to the terms and conditions set forth in this Agreement.

### **AGREEMENT**

**NOW, THEREFORE,** for and in consideration of the foregoing premises and recitals, the covenants, representations, and warranties contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and subject to the terms herein, the Parties agree as follows:

1. **Incorporation.** The foregoing recitals are incorporated herein by reference as if fully set forth at this point in the text of the Agreement.

2. **Definitions.**

"**Coal Ash**" means fly ash, bottom ash, boiler slag, or flue gas desulfurization materials or effluents from a Duke coal-fired generating unit in North Carolina.

"**Environmental Laws**" means any and all federal, state and local statutes, rules, regulations, ordinances, and other provisions having the force or effect of law, all judicial and administrative orders and determinations, and all common law concerning human health, safety, worker health and safety, pollution and protection of the environment or natural resources, including without limitation, the North Carolina Coal Ash Management Act of 2014 ("**CAMA**")

and the United States Environmental Protection Agency's Disposal of Coal Combustion Residuals from Electric Utilities final rule, each as amended and as now or hereafter in effect.

3. **Settlement Payments.** Duke shall pay Chatham County the sum of one dollar and fifty cents (\$1.50) per ton for Coal Ash placed at the Site for up to a total of 12,000,000 tons of Coal Ash Site to be placed at the Site . The weight of the Coal Ash shall be determined based upon measurement by DOT-calibrated and approved scales at the Duke generation sites or by such method as is mutually agreed upon between Charah and Duke, provided that Duke shall ensure that such method is accurate. Such scale reports shall be reasonably made available to Chatham County upon request and by such method as is mutually agreed upon between Duke and Chatham County.

A. **Initial Advance.** Duke shall make an initial payment to Chatham County of Six Million and No/100 Dollars (\$6,000,000.00) within ten (10) business days of the date that Coal Ash is first placed at the Site. This initial advance shall cover the first 4,000,000 tons of Coal Ash placed at the Site, which is one-third of the maximum capacity of the Site. Duke shall provide written notice to Chatham County when 4,000,000 tons of Coal Ash has been placed at the Site. Once Duke has placed 4,000,000 tons of Coal Ash at the Site, Duke shall begin making annual payments to Chatham County as described in paragraph 3.B. below (the "Annual Payments").

B. **Annual Payments.** The first Annual Payment shall be made on or about the date that is twelve (12) months after the date that Duke completes placement of the first 4,000,000 tons of Coal Ash at the Site, and shall be based on the quantity of Coal Ash delivered during that period multiplied by the rate of \$1.50 per ton. Duke shall continue to make payments annually thereafter, based on the quantity of Coal Ash placed at the Site during the prior twelve

(12) month period multiplied by the rate of \$1.50 per ton, until twelve (12) million tons of Coal Ash has been placed at the Site.

**C. Rate Adjustment.** To the extent that DEC or DEP enters into an agreement with any other North Carolina municipality or county for a similar mine reclamation structural fill project, and such agreement contains a payment rate for the placement of Coal Ash that is more favorable, considering all of the relevant circumstances, than the rate provided for in this Agreement, then Duke agrees to negotiate with Chatham County in good faith to amend the terms of this Agreement to provide Chatham County equivalent benefits. The rate adjustment provisions of this paragraph 3(C) shall terminate when Coal Ash placement at the Site has been completed by Duke. If negotiations are unsuccessful, the Parties will participate in a mediated settlement conference with a North Carolina certified mediator or a mutually agreeable neutral third party within sixty (60) days of a written mediation request. The costs of the mediated settlement conference will be equally divided between the Parties. Neither Party may file a lawsuit related to the rate adjustment discussed in this paragraph 3(C) unless and until the mediation is declared an impasse. The Parties agree that all statutes of limitation and repose will be tolled upon service of a written mediation request and will remain tolled until sixty (60) days after the mediated settlement conference has been declared an impasse.

**4. Removal of Leachate Structures.** Duke shall cause Charah or Green Meadow to commence removal of any storage vessels for leachate and any associated structures within ninety (90) days from the date Charah is no longer required by any applicable regulatory program or permit to retain the vessels or structures on the Site and to complete such removal as soon as reasonably practicable.

5. **Access to Coal Ash Delivery Records.** Duke will maintain all records related to Coal Ash placed at the Site required by this Agreement and federal and state law, including without limitation applicable Environmental Laws. Chatham County may, upon reasonable notice, review at reasonable times such records maintained by Duke sufficient to determine the dates of delivery and quantities of Coal Ash placed at the Site. Any such review will be conducted in a manner designed to minimize any adverse impact on Duke's normal business operations, and reviewing personnel of Chatham County shall be allowed on the Site during regular business hours for such purposes and any other purpose allowed by this Agreement, and will comply with any reasonable standard safety and security procedures of Duke in conducting any such review.

6. **Site Restrictions.** Duke agrees that it will not place Coal Ash at the Site that is the by-product of generating electricity at a facility located outside of North Carolina. The Coal Ash placed at the Site by or on behalf of Duke will be of types consistent with "coal combustion products" as such term is defined under the CAMA. Duke further agrees to place no more than 12,000,000 tons of coal ash at the Site and that the Site and the DEP Cape Fear Plant site shall be the only sites used by Duke for Coal Ash storage in Chatham County.

7. **Notice of Permit Violations.** If Duke receives any written notice of violation or notice of enforcement action from the North Carolina Department of Environment and Natural Resources or any other governmental authority having jurisdiction that Duke, Charah, or Green Meadow is in violation of any permit issued to Duke pertaining to placement of Coal Ash at the Site, Duke shall provide written notice to Chatham County of such violation or enforcement action within ten (10) business days of Duke's receipt thereof.

8. **Sampling.** Prior to the first placement of Coal Ash at the Site, Duke shall cause Charah to notify Chatham County in writing of the sampling and testing protocols utilized for the Site for compliance with applicable Environmental Laws and permits. Thereafter, Duke shall provide or cause Charah to provide Chatham County with periodic reports, as often as required by applicable Environmental Laws and permits, confirming that such sampling and testing protocols are being followed or amended, as the case may be.

A. **Ash Sampling.** Duke, Charah or their affiliates or assigns shall allow Chatham County and its affiliates or assigns, upon reasonable notice to Duke or Charah, to take split samples of Coal Ash at the Site subject to the following: (i) such split samples may be taken once monthly in the first year after Coal Ash is first placed at the Site and once quarterly in each year thereafter; (ii) the method of sampling shall be consistent with the methods required by applicable permit(s) or by such method as is mutually agreed upon between Duke and Charah; (iii) testing protocols shall be consistent with the protocols required by applicable permit(s) as called for in the agreement between Duke and Charah and (iv) Chatham County shall pay its cost for its portion of the split sample.

B. **Baseline and Subsequent Groundwater Sampling.** Prior to the first placement of Coal Ash at the Site, Duke shall offer to conduct (or cause Charah to offer to conduct) one-time baseline sampling for the parameters set out in this Agreement. The sampling shall be in accordance with the sampling protocol utilized at the Site for private and public water supply wells existing as of the date of this Agreement and located within a 1,000- foot radius of the Site. The baseline sampling results for each such well shall be provided to the respective well owner. Duke shall have no obligation to conduct baseline sampling with respect to any well for which the well owner (i) does not give Duke written consent to conduct baseline sampling, or (ii)

demands that Duke make payment or satisfy unreasonable conditions in order to obtain consent for the baseline sampling, provided that in either case Duke shall notify Chatham County and allow it the opportunity to obtain the well owner's consent to allow such sampling.

**C. Groundwater Monitoring.** Duke shall allow Chatham County upon reasonable notice to Duke or Charah, to take split samples of groundwater from groundwater monitoring wells at the Site subject to the following: (i) such split samples may be taken on a quarterly basis, coordinated such that two of the quarterly split samples shall coincide with the semi-annual samples required to meet regulatory requirements at the Site; and (ii) Chatham County shall pay its cost for its portion of the split sample.

**9. Support for Solar Energy and other Green Energy Initiatives in Chatham County.**

**A. Solar Energy at the Site.** Duke agrees that after completion of the required cap, the Site, or a portion of the Site, could be a favorable location for a solar energy project. Duke agrees to cooperate with Chatham County in developing a plan and proposal to develop such a project, and further agrees to purchase the electricity generated at such project from Chatham County, or from a site developer working with Chatham County, at such cost and upon such terms as Duke determines are reasonable under applicable North Carolina Utilities Commission requirements. In the event such a project is determined by Duke to be feasible, Duke, if it owns the Site, shall give Chatham County or its designee a first right of refusal regarding any future lease or sale of the Site or the portion thereof necessary for a solar energy project.

**B. Solar Energy in Chatham County.** Duke agrees to take reasonable and good faith action to support renewable energy in Chatham County, and specifically the development of solar energy in Chatham County, and upon execution of this Agreement, agrees

to make reasonable and good faith efforts to process the approval and execution of interconnection agreements, including all forms, studies, and procedures required to finalize such interconnection agreements. Duke further agrees, consistent with the North Carolina Small Generator Interconnection Standard adopted or hereinafter amended by the North Carolina Utilities Commission, to make reasonable and good faith efforts to return executed interconnection agreements to customers within a period not to exceed ninety (90) days from Duke's receipt of the initial interconnection request, containing all required supporting documentation, or sixty (60) days from Duke's receipt of the facilities study agreement for all rooftop and ground mount projects, suitably sited, in Chatham County. In addition Duke agrees to cooperate with Chatham County to encourage and expedite solar energy development in Chatham County

**C. Pittsboro Lines Underground.** Duke agrees to provide Chatham County an estimate of the cost to bury Duke's overhead distribution lines in and around the downtown historic district of the Town of Pittsboro. In addition, Duke agrees to cooperate with Chatham County and the Town of Pittsboro and all other appropriate authorities to bury the distribution lines if Chatham County and the Town of Pittsboro request that the lines be buried and Chatham County and/or the Town of Pittsboro agree to pay the cost thereof.

**D. Street Light Conversion.** Duke agrees to provide Chatham County an estimated cost to convert Duke owned street lights in Chatham County and its municipalities to LED lights. The estimate shall include the amount of energy savings resulting from the conversion.

**10. Support for Chatham County Economic Development.** Duke and Chatham County acknowledge that they both have a mutual interest in the economic development of



Chatham County. Duke will make its Site Readiness program available to Chatham County for a site identified by Chatham County. Duke will meet with Chatham County, at reasonable times to be agreed upon by the Parties, to discuss other potential opportunities for Duke's Economic Development Staff to assist Chatham County and its partners with their economic development initiatives. Duke will consider in good faith applications by Chatham County for additional or increased assistance from funds and programs available through or supported by Duke, including, without limitation, the Carolinas Investment Fund, Chatham County's Economic Development Corporation, and community college grants for Central Carolina Community College. Such economic development assistance, as contemplated in this paragraph, shall exist for the duration of the Site operations. Priority for projects under this paragraph shall be given to the Moncure Super Park and those areas surrounding the Site.

11. **Chatham County Ordinances.** Duke agrees that pursuant to CAMA, local zoning or land-use ordinances that impose requirements, restrictions or conditions that are generally applicable to development, including, but not limited to, setback, buffer, and stormwater requirements, may be applicable to the placement of Coal Ash at the Site. Duke agrees to cause Charah to have the Site comply with such ordinances as are determined to be applicable and further to comply with The Chatham County Lighting Ordinance, which exists as of May 18, 2015.

12. **Restrictions Regarding DEP Cape Fear Plant.** This Agreement applies only to Duke's placement of Coal Ash at the Brickhaven Site except where explicitly stated otherwise. Duke agrees it shall not place on the DEP Cape Fear Plant site Coal Ash generated at a location other than the DEP Cape Fear Plant site. Chatham County acknowledges that Duke currently stores Coal Ash at its DEP Cape Fear Plant site and may in the future seek regulatory approvals

under applicable Environmental Laws to utilize the DEP Cape Fear Plant site for the disposition of Coal Ash and Chatham County agrees that it shall not seek payment of a fee for such use of the DEP Cape Fear site; provided that in the event of such use of the DEP Cape Fear site, Duke agrees to negotiate with Chatham County prior to such utilization an agreement including terms substantially the same as in this Agreement regarding Chatham County's right to access to Coal Ash records, notice of permit violations, sampling and monitoring, and transportation safety. Chatham County further agrees that so long as there is material compliance with all Environmental Laws as related to Coal Ash at the DEP Cape Fear Site, including local zoning or land-use ordinances determined to be generally applicable to development, or Duke or its affiliates or assigns has acted in a commercially reasonable manner to cure or to initiate cure of any non-compliance after written notice from Chatham County, Chatham County will not comment in opposition to any requested permits for the disposition of Coal Ash at the DEP Cape Fear Site, whether requested by Duke, or its affiliates or assigns, and will not seek to enact any local law, rule, regulation or ordinance, or take any other action, whether against Duke, or any other party, that would limit or interfere with Duke's ability to utilize the DEP Cape Fear site for disposition of Coal Ash, or that would otherwise be inconsistent with this Agreement. In the event Chatham County commences an action in violation of this provision, then this Agreement, including the Release provided for herein, may be pleaded in bar of such action, and the party against whom the action is commenced shall be entitled to injunctive relief against Chatham County.

13. **Reservation of Space for Cape Fear Generation Facility Ash.** Duke agrees to make reasonable efforts to reserve an adequate amount of space at the Site for disposal of Coal Ash from the DEP Cape Fear Plant site to the extent consistent with priorities for Coal Ash

removal and management established by the Coal Ash Management Commission. Duke agrees to make reasonable efforts to convince the Commission to allow Coal Ash from the Cape Fear Plant to be used as structural fill at the Site.

14. **Payment in Lieu of Ad Valorem Tax.** Duke shall pay Chatham County \$114,193 annually for five (5) years, which payment shall constitute payment in lieu of ad valorem tax revenue lost by the County due to Duke's closure of the D E P Cape Fear Plant. The first payment shall be due within thirty (30) days of the effective date of this Agreement and each subsequent payment shall be due one (1) year from the date of the first payment. In addition, Duke agrees to pay Chatham County within thirty (30) days of the effective date of this Agreement \$300,000, which shall be used toward retirement of the Moncure Fire District's debt, which as of the date hereof is approximately \$1,258,893.

15. **Transportation Safety.** Duke shall make reasonable efforts to ensure that railroad spurs and other construction and routing for rail and truck transport of Coal Ash to the Site are designed so as to minimize blockage of traffic, and Duke shall make reasonable efforts to prevent Coal Ash spillage or release into the air from the vehicle or rail car it is being transported in to the Site. Duke shall maintain transportation logs as required by applicable law and shall make such records reasonably available to Chatham County upon request and by such method as is mutually agreed upon between Duke and Chatham County.

16. **Release of All Claims as to Duke.** Subject to the limitations and reservation contained in this paragraph, Chatham County hereby irrevocably releases, acquits, and forever discharges Duke and Duke Energy Business Services, LLC and their respective predecessors, successors, parent companies, affiliates, subsidiaries and assigns, and any person or entity acting for or on their behalf, including, in their capacities as such, without limitation, their respective

past, present and future officers, directors, employees, attorneys, agents, insurers and reinsurers, heirs, executors, administrators, representatives, successors and assigns, and their respective heirs, executors, administrators, representatives, successors and assigns (collectively, the "Duke Released Parties"), except for Charah and Green Meadow, LLC ("Green Meadow"), which entities are expressly not included in this Release, from any and all past, present or future actions, causes of action, claims, counterclaims, demands, obligations, rights, costs, damages, and expenses (including attorney's fees) of any kind whatsoever, whether based on a trespass, tort, contract, or other theory of recovery, and including challenge to any permit needed for the Site, however denominated, asserted or unasserted, known or unknown, absolute or contingent, whether at law or in equity, arising out of or relating to, directly or indirectly, the Dispute or the subject of the Dispute (the "Duke Released Claims"). Notwithstanding the foregoing, nothing herein shall be deemed to release, and Chatham County expressly reserves and does not release, claims for enforcement of this Agreement. Further, nothing herein shall be deemed to release, and Chatham County expressly reserves, claims (including claims for damages to natural resources and the environment) caused by or based on the failure or alleged failure of the Duke Released Parties after the date of this Agreement to comply with all Environmental Laws as related to Coal Ash at or being transported to the Site. The release set forth herein shall become effective upon execution of this Agreement by the Parties.

17. **Release of All Claims as to Chatham County.** Duke hereby irrevocably release, acquit, and forever discharge Chatham County and its predecessors, successors, affiliates, subsidiaries and assigns, and any person or entity acting for or on its behalf, including, in their capacities as such, without limitation, their respective past, present and future commissioners, officers, directors, employees, attorneys, agents, insurers and reinsurers, and their respective

heirs, executors, administrators, representatives, successors and assigns (collectively, the “**Chatham County Released Parties**”), from any and all past, present or future actions, causes of action, claims, counterclaims, demands, obligations, rights, costs, damages, and expenses (including attorney’s fees) of any kind whatsoever, whether based on a trespass, tort, contract, or other theory of recovery, however denominated, asserted or unasserted, known or unknown, absolute or contingent, whether at law or in equity, arising out of or relating to, directly or indirectly, the Dispute or the subject of the Dispute (the “**Chatham County Released Claims**”). Notwithstanding the foregoing, nothing herein shall be deemed to release, and Duke expressly reserves and does not release, claims for enforcement of this Agreement. The release set forth herein shall become effective upon execution of this Agreement by the Parties.

**18. Covenant Not to Sue.** Except as otherwise expressly provided herein, Chatham County agrees that it will not initiate or pursue, and will not encourage or assist any other person or entity to initiate or pursue, in any judicial or other forum or proceeding, including, without limitation, any administrative or regulatory proceeding, or in any other manner, any of the Duke Released Claims. Further, so long as there is material compliance with all Environmental Laws as related to Coal Ash at the Site, or Duke, Charah, Green Meadow or their affiliates or assigns has acted in a commercially reasonable manner to cure or to initiate cure of any non-compliance after written notice from Chatham County, Chatham County will not comment in opposition to any requested permits for the Site, whether requested by Duke, Charah, Green Meadow or their affiliates or assigns, and will not seek to enact any local law, rule, regulation or ordinance, or take any other action, whether against Duke, or any other party, that would limit or interfere with Duke’s ability to deliver Coal Ash to the Site, or that would otherwise be inconsistent with this Agreement, including the Release provided for herein. In the event Chatham County commences

an action in violation of this covenant not to sue, then this Agreement, including the Release provided for herein, may be pleaded in bar of such action, and the party against whom the action is commenced shall be entitled to injunctive relief against Chatham County.

19. **No Admission.** This Agreement constitutes a full and complete settlement (according to the terms stated herein) of the disputed claims and liabilities claimed as part of the Dispute. This Agreement is entered into for purposes of settlement and compromise only. Neither this Agreement nor anything contained in it, nor any act or thing done in connection herewith, is intended to be, or shall be construed or deemed to be an admission of any party of liability, fault, or wrongdoing, or any admission by any party of any fact, allegation, or claim whatsoever.

20. **Costs.** Each party will bear its own costs, expenses, and attorneys' fees incurred as a result of the Dispute and the facts and circumstances set forth above.

21. **Governing Law, Forum Selection, Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the State of North Carolina. Each Party to this Agreement (a) agrees that any action or proceeding brought in connection with or relating to this Agreement shall be brought, heard and determined exclusively in any state or federal court of competent jurisdiction located in Wake County, North Carolina, (b) agrees not to bring any proceeding or action arising out of or relating to this Agreement in any other court, (c) consents and irrevocably submits itself to personal jurisdiction in connection with any such proceeding or action, and (d) expressly waives to the fullest extent permitted by law any objections that it may now or hereafter have to the venue of any such proceeding or action, or that any such proceeding or action was brought in an inconvenient forum.

22. **Entire Agreement and Successors in Interest.** This Agreement contains the entire agreement between the Parties with regard to the matters set forth herein and shall be binding upon and inure to the benefit of the affiliates, personal representatives, heirs, successors, and assigns of each.

23. **Interpretation.** Each Party agrees that in any dispute regarding the interpretation or construction of this Agreement, no presumption shall operate in favor of or against any Party to this Agreement by virtue of its role in drafting or not drafting the terms and conditions set forth in the Agreement. The Parties acknowledge that they have each been represented by counsel in the negotiation of this Agreement, and that they have read and understand it.

24. **Authority.** Each of the signatories to this Agreement represents that they have full authority and representative capacity to execute this Agreement in the capacities indicated below, and that this Agreement constitutes a valid and binding obligation on the terms set forth herein of the respective party for which they have signed. The Chatham County Board of Commissioners has fully approved and ratified this Agreement, as evidenced by the Resolution Approving Settlement Agreement attached hereto.

25. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all such counterparts together shall constitute but one and the same instrument.

26. **Severability.** If any provision or clause of this Agreement shall be or becomes invalid or unenforceable under applicable law, such provision or clause only shall be deemed ineffective, as though not herein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

27. **Notices.** All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be delivered by hand or sent by facsimile or electronic transmission (including email) or sent, postage prepaid, by registered, certified or express mail or overnight courier and shall be deemed to be given when received, as follows:

i) If to Duke:

NC State President  
Duke Energy  
410 S. Wilmington St., NCRH 12  
Raleigh, NC 27601  
Fax: (919) 546-2169  
Email: [paul.newton@duke-energy.com](mailto:paul.newton@duke-energy.com)

**With a copy to:**

Duke Energy Legal Department  
Attn: Lawrence B. Somers  
410 S. Wilmington St., NCRH 20  
Raleigh, NC 27601  
Fax: (919) 546-2169  
Email: [bo.somers@duke-energy.com](mailto:bo.somers@duke-energy.com)

ii) If to Chatham County:

Attention: County Manager  
P. O. Box 1809  
12 East Street  
Pittsboro, North Carolina 27312  
Fax: 919-542-8272  
Email: [Charlie.horne@chathamnc.org](mailto:Charlie.horne@chathamnc.org)

28. **Amendment.** This Agreement may not be altered, amended, modified, or rescinded in any way except by written instrument duly executed by all of the Parties hereto.

29. **Integration.** This Agreement (and any documents expressly referred to herein) contains the entire agreement between the Parties hereto and the terms hereof are all contractual and not a mere recital. All previous discussions or negotiations have been merged into this Agreement. No party to this Agreement has relied upon any oral or written representations,



express or implied warranties, or agreements that are not expressly contained in the body of this Agreement.

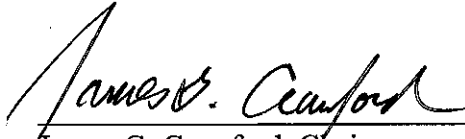
30. **Effectiveness.** This Agreement shall become effective immediately following execution by the last Party to sign.

31. **Captions.** The captions and subsections hereof are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Agreement.

*(Two Signature Pages Follow)*

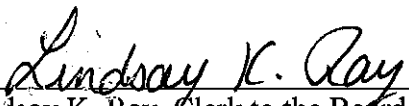
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**County of Chatham, North Carolina**

  
\_\_\_\_\_  
James G. Crawford, Chairman  
Chatham County Board of Commissioners

Date: 6/22, 2015

ATTEST

  
\_\_\_\_\_  
Lindsay K. Ray, Clerk to the Board of  
Commissioners of Chatham County  
[SEAL]

*(Duke signature page follows)*

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**Duke:**

Duke Energy Progress, Inc.

Duke Energy Carolinas, LLC

By: 

Name: Paul Newton

Title: State President, North Carolina

Date: 6/16/15