EXHIBIT 2

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PUBLIC VERSION

AGREEMENT COVERING JOINT USE OF POLES

CAROLINA POWER & LIGHT COMPANY
AND
SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY

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THIS AGREEMENT, made this 29th day of September, 1977 by and between the CAROLINA POWER & LIGHT COMPANY, incorporated under the laws of the State of North Carolina, hereinafter called the "Electric Company", party of the first part, and the SOUTHERN BELL TELEPHONE AND TELEGRAPH COMPANY, a corporation of the State of New York, hereinafter called the "Telephone Company", party of the second part.

WITNESSETH

WHEREAS, the Electric Company and the Telephone Company desire to continue joint use of wood poles and in the future to establish further joint use of their respective wood poles when and where joint use shall be of mutual advantage; and

WHEREAS, because of changed conditions and experience gained, and to facilitate administration of joint use, the parties desire to terminate, subject to the provisions of Article III hereof, the present contract dated October 11, 1955, between the Electric Company and the Telephone Company and to enter into a new joint use agreement giving due recognition to such change of conditions, experience and the effective administration of joint use, including recognition of the economics of joint use, and such factors as the comparative numbers of joint use poles owned by the parties, the respective space used by the parties, and the relative positions of the parties on the poles; and

WHEREAS, it is to the mutual interest of the parties to effect an equitable apportionment of the benefits to be derived from the continuation of joint use of wood poles brought about by the inherent differences in the basic requirements of space, height, and strength of joint use poles;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto, for themselves, their successors and assigns, do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS

For the purpose of this agreement, the following terms when used herein, shall have the following meanings:

A. STANDARD SPACE ALLOCATION - Means an allocation of sufficient space on a joint use pole for use of each party taking into consideration requirements of the Code and is more particularly defined as follows:

1. For Electric Company, the exclusive use of [redacted] of space measured downward from a point six inches below the top of the pole; and

2. For Telephone Company, the exclusive use of [redacted] of space at sufficient distance below the space of the Electric Company to provide at all times the minimum clearance required by the Code and measured from the ground upward to the point of attachment on the pole required to provide at all times the Code minimum clearance above ground for the lowest horizontally run linewire or cable attached in such space unless, by mutual agreement of the field representatives of the parties, sound engineering practices dictate a higher minimum clearance.

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3. Standard space allocation shall in all instances, except as specifically modified elsewhere in this agreement, be as represented on Exhibit A attached hereto and made a part hereof.

B. STANDARD JOINT USE POLES - Means a 40-foot, class 5 wood pole which meets the requirements of the Code for support and clearance of electric supply and communications conductors now or hereafter used by either party in the conduct of its business. The foregoing definition of "A standard joint use pole" is not intended to preclude the use of joint poles shorter or of less strength than the standard joint pole in locations where such poles will meet the known or anticipated requirements of the parties hereto.

C. ATTACHMENTS - Means materials or apparatus now or hereafter used by either party in the construction, operation or maintenance of its plant carried on poles.

D. CODE - Means National Electrical Safety Code as amended from time to time.

E. JOINT USE - Is maintaining or specifically reserving space for the attachments of both parties on the same pole at the same time.

F. OWNER - Means the party owning the pole to which attachments are made.

G. LICENSEE - Means the party having the right under this agreement to make attachments to a pole of which the other party is the Owner.

H. TRANSFERRING - Is the removing of attachments from one pole and placing them upon another.

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I. REARRANGING - Is the moving of attachments from one position to another on a pole.

J. CHANGE IN CHARACTER OF CIRCUIT - A condition that would require an increase in the vertical clearance on a jointly occupied pole as required by the current edition of the National Electrical Safety Code.

ARTICLE II

TERRITORY AND SCOPE OF AGREEMENT

This agreement shall be in effect and shall cover all wooden poles of each of the parties and poles of other materials as may be mutually agreeable to each of the parties now existing, hereafter erected or acquired within the common operating areas served by the parties hereto when said poles are brought hereunder, excepting:

A. Poles, which, in the Owner's judgment, should be restricted for reasons of either safety or economy to its own use; and

B. Poles which carry, or are intended to carry, circuits or equipment of a character that in the Owner's judgment make joint use of such poles undesirable for proper rendering of its service now or in the future.

ARTICLE III

PERMISSION FOR JOINT USE

Subject to the terms and conditions of this agreement, each party hereby permits joint use by the other party of any of its poles in accordance with the standard space allocation defined in Article I and the following:

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A. Allocated pole space may, without additional charge, be used by the party to which it is not allocated for the purpose of installing and maintaining attachments if, by the terms of the Code, the proposed use is permitted and so long as such use does not unreasonably interfere with the use being made by the party to which such space is allocated; except the Electric Company's use of unallocated space below space allocated to the Telephone Company shall be limited to vertical attachments of the Electric Company.

B. The parties hereto agree that all attachments to poles used jointly by the parties shall continue to exist in the condition as they exist on the date of this agreement insofar that nothing contained herein shall be construed as requiring either party to remove, transfer, or rearrange any attachments solely by reason of the execution of this agreement.

ARTICLE IV

SPECIFICATIONS

Joint use of poles covered by this agreement shall at all times be constructed in conformity with terms and provisions of the current issue of the Code, as to minimum requirements, and such revisions and amendments thereto from time to time as may be mutually agreed upon and approved in writing by the Manager-Distribution Engineering of the Electric Company and the Chief Engineer of the Telephone Company.

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ARTICLE V

RIGHT OF WAY AND LINE CLEARING

A. For new lines the Owner will obtain suitable right of way for both parties on joint poles insofar as practicable. Said right of way easements shall be in sufficient detail for identification and recording where required, and shall be subject to inspection by the other party upon request.

B. Where practicable, the right of way obtained shall be of sufficient width to give the right at all times to cut away and keep clear of the line all trees and other obstructions that may endanger the proper maintenance and operation of either party's lines.

C. The Owner of the line is to assume full responsibility for the initial and the recurring cutting of the undergrowth in the swath. The recurring cutting of the undergrowth shall be at such intervals as required to protect the circuits of both parties.

D. While the Owner and Licensee will cooperate as far as may be practicable in obtaining right of way for both parties on joint use, no guarantee is given by the Owner of permission from property owners, municipalitips or others for the use of poles by the Licensee, and if objection is made thereto and the Licensee is unable to satisfactorily adjust the matter within a reasonable time, the Licensee shall remove its attachments from the poles involved at its sole expense.

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ARTICLE VI

PROCEDURE FOR ESTABLISHING JOINT USE

A. Whenever either party desires to reserve space on any pole of the other for any attachments requiring space thereon, not then specifically reserved hereunder for its use, it shall make written application to the Owner therefor, specifying in the application for joint use the location of the pole in question, and the number and kind of attachments which it desires to place thereon and the character of the circuits to be used. Within ten (10) days after the receipt of such notice, the Owner shall notify the applicant in writing whether or not said pole is one of those excluded from joint use under the provisions of Article II. Upon receipt of notice from the Owner that said pole is not of those excluded and after completion of any transferring or rearranging which is then required in respect to attachments on said poles, the applicant shall have the right as Licensee hereunder to use said space for attachments and circuits of the character specified in said application in accordance with the terms of this agreement, all in accordance with the provisions of Article VII hereof.

B. Except as herein otherwise expressly provided, each party shall at its own expense place, maintain, rearrange, transfer, and remove its own attachments, and shall at all times perform such work promptly and in such manner as not to interfere with service being supplied or work being done by the other party.

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ARTICLE VII

ERECTING, REPLACING OR RELOCATING POLES

A. Except as provided by Article IX hereof whenever any jointly used pole, or any poles about to be so used under the provisions of this agreement, is insufficient in size or strength for the existing attachments and for the proposed immediate additional attachments thereon by Owner or Licensee or third parties authorized to make attachments thereto, the Owner shall promptly replace such pole with a new pole of the necessary size and strength, and make such other changes in the existing pole line in which such pole is included, as may be made necessary by the replacement of such pole and the placing of the Licensee's circuits as proposed.

B. Whenever it is necessary to replace or change the location of a jointly used pole, by reason of any State, municipal or other governmental requirement, or the requirements of a property owner, the Owner shall, before making such replacement or change in location, give notice thereof in writing (except in cases of emergency when verbal notice will be given, and subsequently confirmed in writing) to the Licensee, specifying in such notice the time of such proposed replacement or relocation, and the Licensee shall, at the time so specified, transfer its attachment to the new pole or the pole at the new location.

C. In case of emergency, with the giving of verbal notice whenever possible, Licensee may install joint poles and anchors as may be considered necessary for public safety for rendering of Licensee's customers' service, in which case the Licensee shall be reimbursed

by the Owner in accordance with the Table of Charges for the respective pole sizes as shown in Table II of Exhibit B. One-half (1/2) of the applicable charge shown in Table III of Exhibit B shall be added to emergency joint pole installations made at times other than normal working hours.

D. Whenever either party hereto is about to erect new poles within the territory covered by this agreement, either as an additional pole line, as an extension of an existing pole line, other than the cases of changes in the character of circuits covered in Article IX hereof, or as the reconstruction of an existing pole line, it shall notify the other in writing at least thirty (30) days before beginning the work (shorter notice, including verbal notice subsequently confirmed in writing, may be given in cases of emergency) and shall submit with such notice its plans showing the proposed location and size of the new pole, and the character of circuits it will use thereon. The other party shall, within seven (7) days after receipt of such notice, reply in writing to the party erecting the new poles, stating whether such other party does, or does not, desire space on the said poles, and if it does desire space thereon, the character of the circuits it desires to use and the amount of space it wishes to reserve. This notice of desire to establish joint use shall include detail plans of any changes in the plans of the other party which are desired in order to permit the establishment of joint use. If such other party requests space on the new poles and if the character and number of circuits and attachments are such that the Owner does

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not wish to exclude the poles from joint use under the provision of Article II, then poles suitable for the said joint use shall be erected in accordance with the provisions and the payment of costs as provided in Sections E and F of this Article.

E. In any case where the parties hereto shall conclude arrangements for the joint use of any new poles to be erected, and the party proposing to construct the new pole facilities already owns more than its proportionate share of joint poles, the parties shall take into consideration the desirability of having the new pole facilities owned by the party owning less than its proportionate share of joint poles so as to work towards such a division of ownership of the joint poles that neither party shall be obliged to pay to the other any adjustment payment because of their respective use of joint poles owned by the other, due regard being given to the desirability of avoiding mixing ownership in short sections of pole lines. Nothing in this paragraph shall be construed to require the party owning the lesser number of poles to set or replace all poles required to achieve parity ownership.

F. The costs of erecting joint use poles coming under this agreement, either as new pole lines, as extensions of existing pole lines, or to replace existing poles, either existing jointly used poles or poles not previously involved in joint use, shall be borne by the parties as follows:

1. <u>New Joint Use Lines</u>

   a. A standard joint use pole, or a joint use pole shorter or smaller than the standard joint use pole, shall be erected at the sole expense of the Owner.

b. A pole taller or stronger than the standard joint use pole, the extra height, space, or strength which is due wholly to the Owner's requirements, shall be erected at the sole expense of the Owner.

c. For a pole taller or stronger than the standard joint use pole, the extra height, space, or strength which is due wholly to the Licensee's requirements, the Licensee shall pay to the Owner a sum equal to the difference between the current cost in place of such pole and the current cost in place of a standard joint use pole, such difference in costs being computed from Table II and Table IV of Exhibit B, attached hereto and made a part hereof, the balance of the cost of erecting such pole to be borne by the Owner.

d. For a pole taller or stronger than the standard joint use pole, the extra height or strength of which is due to the requirements of both parties, the Licensee shall pay to the Owner a sum equal to one-half (1/2) the difference between the current cost in place of such pole and the current cost in place of a standard joint use pole, such difference in costs being computed from Table II of Exhibit B and from Table IV of Exhibit B, the balance of the cost of erecting such pole to be borne by the Owner.

2. <u>Existing Non-Joint Use Lines</u>

Whenever the parties hereto arrange for joint use of an existing non-joint use line of either party, the cost of making said line suitable for joint use shall be borne as follows:

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a. The cost of additional poles installed for the principal benefit of the Licensee shall be paid for by the Licensee on the basis of the required pole size cost established in Table II of Exhibit B and Table IV of Exhibit B.

b. The cost of additional standard joint use poles or a pole smaller than the standard joint use pole installed for the benefit of both parties shall be borne by the Owner.

c. In cases where existing non-joint use poles are inadequate for the Licensee's requirements and said poles are replaced, the Licensee shall pay the Owner the then in place value of the existing pole, such value being computed from Exhibit D. In addition, the Licensee shall pay the Owner the costs of any required additional height or strength over the pole being removed, such costs being computed from Table I and Table IV of Exhibit B attached hereto and made a part hereof.

3. <u>Replacement of Existing Joint Use Poles to Achieve Changes in Height or Strength</u>

a. When either party requires a change in height of an existing joint use pole, a determination of the space required for the attachments of each party, including any planned additional attachments, shall be made. The party responsible for bearing the cost of the replacement shall then be determined on the basis of comparing the space required for each party with that party's standard space allocation. For the purpose of this comparison, however, the Licensee's

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space allocation shall be deemed to include any space originally established for the Licensee's exclusive use, under Section F, Paragraph 1-c, of this Article provided that the Licensee presents written evidence of such condition. The cost of the replacement shall then be borne by the parties as follows:

(1) When only the Owner exceeds his space allocation, the cost of the replacement shall be borne by the Owner.

(2) When only the Licensee exceeds his space allocation, the cost of the replacement shall be borne by the Licensee with the Licensee paying the Owner the cost of removal as shown in Table III of Exhibit B plus the then in place value of the existing pole, such value being computed from Exhibit D. In addition, the Licensee shall pay the Owner the costs of any additional height and any additional strength required over the standard joint use pole as computed from Table II and Table IV of Exhibit B attached hereto and made a part hereof.

(3) When both parties exceed their space allocation, the cost of the replacement shall be borne by the party requiring the change in height. Should this party be the Licensee, Licensee shall pay the Owner the cost of removal as shown in Table III of Exhibit B plus the then in place value of the existing pole, such value being computed from Exhibit D. In addition, the Licensee shall pay the Owner the costs of any additional height and any additional strength required

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over the standard joint use pole as computed from Table II and Table IV of Exhibit B attached hereto. Should the replacement be desirable from the standpoint of both parties, such as replacements in order to meet Code requirements, the parties shall share the replacement costs with the Licensee paying the Owner one-half (1/2) of the then in place value of the existing pole, such value being computed from Exhibit D but not exceeding the in place value of a standard joint use pole of the same age, plus one-half (1/2) the cost of any required additional height and any additional strength over a standard joint use pole. Should the Owner require the change in height, the cost of the replacement shall be borne by the Owner.

b. The cost of any replacements necessary due solely to the existing joint use pole being of insufficient strength shall be borne by the parties as follows:

(1) If the additional strength is necessary due to the Licensee's requirements, the Licensee shall pay the Owner the then in place value of the existing pole, such value being computed from Exhibit D, plus the cost of the required additional strength over the existing pole or a standard joint use pole, whichever is the stronger, as computed from Table IV of Exhibit B.

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(2) If the additional strength is necessary due to the requirements of both parties, the parties shall share the replacement cost with the Licensee paying the Owner one-half (1/2) of the then in place value of the existing pole, such value being computed from Exhibit D, plus one-half (1/2) of the cost of the required additional class over the existing pole or a standard joint use pole whichever is stronger, such cost being computed from Table IV of Exhibit B.

(3) If the additional strength is necessary due to the Owner's requirements, the cost of the replacement shall be borne by the Owner.

c. The cost of any replacements necessary because of municipal or governmental requirements or property owners or for maintenance reasons shall be borne by the Owner except where additional height or strength over the standard joint use pole is required, the cost of the additional height or strength will be borne as provided in Section F, Paragraph 1 of this Article.

d. When replacing a jointly used pole carrying terminals, underground connections or dead ending equipment, the new pole shall be set in the same hole which the replaced pole occupied, unless special conditions make it necessary or mutually desirable to set it in a different location.

G. Any payments made by the Licensee under the foregoing provisions of this Article shall not in any way affect the ownership of said poles.

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G. At the expiration of one (1) year from the date of this agreement, and every year thereafter, the pole charges specified as Exhibit B and Exhibit D shall be subject to revision, upon written request of either party. Revisions of the pole charges in Exhibits B and D shall be based upon actual bare pole cost and the experience resulting from the administration of this agreement. If within ninety (90) days after the receipt of a request for revision of the pole charges by either party from the other, the parties hereto shall fail to agree upon a revision of the pole charges, then the amount to be billed thereafter for such pole work shall be the actual bare pole cost thereof. In case of revision of the pole charges by agreement, the new rates shall become effective with all bills rendered after the revisions are agreed upon.

ARTICLE VIII

MAINTENANCE OF POLES AND ATTACHMENTS

A. The Owner shall, at his own expense, maintain his joint use poles in a safe and serviceable condition, and in accordance with Article IV of this agreement and shall replace such of said poles that become defective.

B. Each party shall, at his own expense, at all times maintain all of his attachments in accordance with Article IV of this agreement and keep them in safe condition and in thorough repair.

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ARTICLE IX

PROCEDURE WHEN CHARACTER OF CIRCUITS IS CHANGED

When either party desires to change the character of its circuits on jointly used poles, such party shall give ninety (90) days written notice to the other party of such contemplated change; and in the event that the other party desires to continue joint use with such changed circuits, then the joint use of such poles shall be continued with such changes in construction as may be required to meet the requirements of the Code being made at the expense of the party desiring to make the change in the character of its circuits. In the event, however, that the other party fails within thirty (30) days from receipt of such notice to agree in writing to such change then both parties shall cooperate in accordance with the following plan:

A. The parties hereto shall determine the most practical and economical method of effectively providing for separate lines, if required, and the party whose circuits are to be moved shall promptly carry out the necessary work.

B. The cost of reestablishing such circuits in the same or new location shall be borne by the Licensee.

C. The ownership of any new line constructed under the foregoing provision in a new location shall vest in the party for whose use it is constructed. The cost of establishing service in the new location shall be exclusive of any increased cost due to the substitution for existing facilities or other facilities of a substantially new or improved type or of increased capacity, but shall include among other items the cost of the new pole line

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including poles, rights of way, the cost of removing attachments from the old poles to the new location and the cost of placing the attachments on the poles in the new location. Title to the existing poles shall automatically vest in or remain in the party whose circuits will continue to remain in the existing location. Where transfer of existing title of existing poles under Article IX of this agreement is involved, compensation shall not be made by the Licensee.

D. Under no circumstances shall the effect of any change in the character of circuits by either party be deemed to constitute an abandonment of joint use poles as contemplated in Article XI.

E. It is agreed that should a change in character of circuits require the removal of such circuits to a new location, the party so removing shall reconstruct its facilities at such a location and in such a manner as to assure no adverse effects upon the continued use by the other party of its facilities in the existing location, and shall hold said other party harmless from technical and other interference to the continued operations of said facilities.

ARTICLE X

BILLS AND PAYMENTS FOR WORK

Upon the completion of work performed hereunder by either party, the expense of which is to be borne wholly or in part by the other, the party performing the work shall present to the other party, within sixty (60) days after the completion of such work, a statement describing the work performed and showing the amount due, and such other party shall,

within sixty (60) days after such statement is presented, pay to the party doing the work the amount due.

ARTICLE XI

ABANDONMENT OF JOINTLY USED POLES

A. If the Owner desires at any time to abandon any jointly used pole, it shall give the Licensee notice in writing to that effect at least thirty (30) days prior to the date on which it intends to abandon such pole. If, at the expiration of said period, the Owner shall have no attachments on such pole but the Licensee shall not have removed all of its attachments therefrom, such pole shall thereupon become the property of the Licensee, and the Licensee shall save harmless the former Owner of such pole from all obligations, liability, damages, cost, expenses, or charges incurred thereafter, because of, or arising out of, the presence or condition of such pole or any attachments thereon; and shall pay the Owner a sum equal to the then in place value of the abandoned pole such value being shown in Exhibit D but not exceeding the in place value of a standard joint use pole of the age of the pole being abandoned.

B. The Licensee may at any time abandon the use of a joint use pole by removing therefrom any and all attachments it may have thereon.

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ARTICLE XII

ANNUAL PAYMENTS

A. On or about December 1st of each year, each party, acting in cooperation, shall, in a manner mutually agreeable to each party ascertain and tabulate the total number of poles in use by each party as Licensee except that at intervals not exceeding five (5) years, joint inventory of attachments shall be made. Such tabulation shall indicate the number of poles in use by each party as Licensee for which an adjustment payment by one of the parties to the other is to be determined as hereinafter provided. In order to avoid the burdensome expense of making a field survey each year, the parties shall jointly make an initial 100 percent field survey (unless the parties voluntarily and mutually agree on some method other than a 100 percent field survey) in 1977* and at five (5) year intervals thereafter. For the interim years the parties shall use estimates, subject to adjustment as provided for in Section C of this Article, of the numbers of joint use poles of the respective parties.

B. Since as stated at the outset of this agreement, space, height, and strength requirements of the respective parties hereto on standard joint use poles are unequal and the cost of providing joint use poles shall be equitably apportioned between the parties accordingly, it is mutually agreed that [redacted] percent of the annual cost of joint use poles should be borne by the Electric Company and [redacted] percent should be borne by the Telephone Company.

*For the purpose of the initial 100 percent field survey in the State of South Carolina, the 1975 survey shall be used.

C. After each five (5) year field survey is made, the parties for the purpose of correcting estimates of pole usage and billings for the preceding interim years shall effect an adjustment in the estimate required by Section A of this Article for each of the four (4) preceding years by taking the difference between actual increased or decreased number of joint use poles (whichever the case may be) as determined from the previous and new field surveys, and the estimated change in number of poles made in the interim years, dividing such number by five (5) and then applying the result as an adjustment for each interim year to the number of joint use poles owned by the respective parties as determined by the next preceding field survey unless evidence indicates otherwise.

D. The annual rental payment shall be the difference in the total annual costs, adjusted by the percent cost distribution in accordance with Section B of this Article of poles in use by each party as Licensee. The Electric Company's adjustment cost will be [redacted] percent of the number of poles in use as Licensee multiplied by the Telephone Company's annual cost of maintaining a bare pole. The Telephone Company's adjustment cost will be [redacted] percent of poles in use as Licensee multiplied by the Electric Company's annual cost of maintaining a bare pole. The annual cost of maintaining a bare pole shall be derived by multiplying the agreed upon annual charge rate by the appropriate party's average historical in place cost of a 40 foot bare pole.

1. Each party's annual charge rate shall by mutual agreement be 25 percent for a period of not less than five (5) years

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from the date of this agreement. At any time after five (5) years from the effective date of this agreement and at intervals of not less than five (5) years thereafter, this annual charge rate shall be subject to joint review and adjustment upon written request from either party. If within ninety (90) days after receipt of such a request, the parties hereto shall fail to agree upon a revision of such percentage annual charge figure, then thereafter the percentage of the actual installed cost used to determine the annual cost of maintaining joint use poles shall be one-half (1/2) of the sum of both parties' then actual annual cost per pole of providing and maintaining joint use poles. In the case of revision of the percentage figure as herein provided, the new percentage agreed upon shall apply starting with the annual bill next rendered and continue until next adjusted.

2. To determine the average historical in place cost of the bare joint use poles owned by the respective parties, each party shall obtain from its records the unit in place cost of 40 foot bare poles for each of the immediate preceding twenty-five (25) years. The percentage of total poles in place which were placed in each period indicated is agreed to be four (4) percent for each party. The above information and data shall be shown in a cost by age distribution table, the format of which appears as Exhibit C attached hereto and made a part hereof. From this Exhibit, each party's average historical in place cost of a bare joint use 40 foot pole shall be determined.

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3. The average historical in place cost of a bare joint use pole referred to in Section D, Paragraph 2 of this Article and reflected on Exhibit C hereto, shall be updated on or about December 1st of each year with the current year's pole cost for determining that year's annual adjustment payment.

ARTICLE XIII

DEFAULTS

A. If either party shall make default in any of its obligations under this contract and such default continue thirty (30) days after notice thereof in writing from the other party, all rights of the party in default hereunder shall be suspended, including its right to occupy additional jointly used poles, and if such default shall continue for a period of thirty (30) days after such suspension, the other party hereunder may forthwith terminate this agreement as far as concerns future granting of joint use.

B. If either party shall make default in the performance of any work which it is obligated to do under this contract at its sole expense, the other party may elect to do such work and the party in default shall reimburse the other party for the cost thereof. Failure on the part of the defaulting party to make such payment within thirty (30) days upon presentation of bills therefore shall, at the election of the other party, constitute a default under Section A of this Article.

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ARTICLE XIV

RIGHTS OF OTHER PARTIES

A. If either party hereto has, prior to the execution of this agreement, conferred upon others not parties to this agreement (outside parties) by contract or otherwise, rights or privileges to attach to any of its poles covered by this agreement, nothing herein contained shall be construed as affecting said rights or privileges with respect to existing attachments of such outside parties, which attachments shall continue in accordance with the present practice; all future attachments of such outside parties shall be in accordance with the requirements of Section B of this Article except where such outside parties have by agreements entered into prior to the execution of this agreement acquired enforceable rights or privileges to make attachments which do not meet such space allocations. Owner shall derive all of the attachment rentals accruing from such outside parties. Any contractural rights or privileges of outside parties recognized in this paragraph shall include renewals of or extensions of the terms (period) of such contracts.

B. If either party hereto desires to confer upon others not parties to this agreement (outside parties), by contract or otherwise, rights or privileges to attach to any of its poles covered by this agreement, it shall have the right to do so provided all such attachments of such outside parties are made in accordance with and shall be maintained in conformity with the requirements of the Code. The Owner shall derive all of the revenue accruing from such outside parties.

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C. With respect to any rights and privileges granted under this Article to others not parties to this agreement (outside parties), the Owner shall require that such outside parties pay to the Licensee the estimated cost associated with transferring and rearranging the Licensee's attachments prior to performing the work necessary to permit the attachment of such outside parties.

D. For the purpose of this agreement, all attachments of any such outside parties shall be treated as attachments belonging to Owner, and the rights, obligations and liabilities hereunder of Owner in respect to such attachments shall be the same as if it were the actual Owner thereof.

ARTICLE XV

SERVICE OF NOTICES

Whenever in this agreement notice is provided to be given by either party hereto to the other, such notice shall be in writing and given by letter mailed, or by personal delivery, to the Electric Company at its General Office at Raleigh, North Carolina, or the Telephone Company at its Area Office at Charlotte, North Carolina, or Columbia, South Carolina, as the case may be, or to such other address as either party may, from time to time, designate in writing for that purpose.

ARTICLE XVI

TERMINATION OF AGREEMENT

This agreement shall continue in full force and effect until terminated insofar as the making of additional attachments is concerned by either party giving to the other one (1) year's notice in writing of

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intention to terminate the right of making additional attachments. Any such termination of the right to make additional attachments shall not, however, abrogate or terminate the right of either party to maintain the attachments theretofore made on the poles of the other and all such prior attachments shall continue thereafter be maintained, pursuant to and in accordance with the terms of this agreement, which agreement shall, so long as said attachments are continued, remain in full force and effect solely and only for the purpose of governing and controlling the rights and obligations of the parties with respect to said attachments.

ARTICLE XVII

ASSIGNMENT OF RIGHTS

Except as otherwise provided in this agreement, neither party hereto shall assign or otherwise dispose of this agreement, in whole or in part, without the written consent of the other party; except that either party shall have the right to mortgage any or all of its property, rights, privileges and franchises, or lease or transfer any of them to another corporation organized for the purpose of conducting a business of the same general character as that of such party, or to enter into any merger or consolidation; and, in case of the foreclosure of such mortgage; or in case of such lease, transfer, merger, or consolidation its rights and obligations hereunder shall pass to such successors and assigns; and provided, further, that subject to all of the terms and conditions of this agreement, either party may permit any corporation conducting a business of the same general character as that of such party, with which it is affiliated, or connecting with it, the rights and privileges of this agreement, in the

conduct of its said business; and for the purpose of this agreement, all such attachments maintained on any such pole by the permission as aforesaid of either party hereto shall be considered as the attachments of the party granting such permission, and the rights, obligations and liabilities of such party under this agreement, in respect to such attachments, shall be the same as if it were the actual Owner thereof.

ARTICLE XVIII

LIABILITY AND DAMAGES

A. Whenever an employee of either party sustains an injury arising out of and in the course of his employment so as to render such injury compensible under any applicable Workmen's Compensation Law, which injury arises out of the existence of conditions resulting from the joint occupancy of poles under this agreement, then the employer of such injured employee shall indemnify, make whole and in all respects save harmless the other party from all loss, cost, damage, and expense reasonably incurred by it in connection with any claim made or suit prosecuted or judgment obtained on account of such injury; provided that this indemnity shall not apply in instances where such injury resulted from the actionable negligence of said other party, not concurred in by the employer, and it is the intent of the parties that in determining whether the employer was or was not concurrently negligent the Common Law rules prescribing the duties owing by an employer to an employee without regard to the provisions of any Workmen's Compensation Statute, now or hereafter enacted, shall be the criterion for such determination.

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B. Whenever the property of either party sustains an injury arising out of the existence of conditions resulting from the joint occupancy of poles under this agreement, then the party whose property was so injured shall have no claim against the other party therefore, except in instances where such injury results from actionable negligence on the part of said other party not concurred in by the Owner of such injured property.

C. Each party shall indemnify, defend, and save harmless the other from all liability, loss, cost, expense, damage, judgment, and claim for injury to the person or damage to the property of members of the public, arising out of the joint occupancy of any pole or the exercise of any other right hereunder, and resulting from its actionable negligence not concurred in by the other party.

D. Whenever an injury, redressable by action at Common Law, is sustained by the person or property of a member of the public, arising out of the joint occupancy of any pole or the exercise of any other right hereunder, which injury was caused by the concurrent negligence of both parties hereto, or the cause of which cannot be traced to the sole negligence of one of the parties, and a claim of damages for such injury is settled by, or an action to recover damages therefor is prosecuted to recovery against, one of the parties only, then the other party hereby agrees to indemnify and save harmless the party who made such settlement or against whom such recovery is had, to the extent of one-half (1/2) of all the loss, cost, and expense incurred in settling such claim or defending such action and in paying any judgment recovered against it.

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ARTICLE XIX

TERM OF AGREEMENT

This agreement cancels and supersedes, subject to the provisions of Article III hereof, the aforesaid agreement dated October 11, 1955, and shall continue in force from year to year thereafter until terminated by either party upon one (1) year's written notice. Upon such termination this agreement shall remain in full force and effect with respect to all poles jointly used by the parties at the time of such termination. The failure of either party to enforce or insist upon compliance with any of the terms and conditions of this agreement shall not constitute a general waiver or relinquishment of any such terms or condition, but the same shall be and remain at all times in full force and effect.

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EXHIBIT 3

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PUBLIC VERSION

AT&T

Dianne W. Miller
Director, Construction & Engineering

AT&T Services, Inc.
754 Peachtree Street, NE
C-1263
Atlanta, GA 30308

September 5, 2019

Scott Freeburn
Manager of Joint Use and Tower Leasing
Duke Energy Corporation
3300 Exchange Place
NP4D
Lake Mary, FL 32746
Scott.Freeburn@pgnmail.com

BY EMAIL

Re: Pole Attachment Rental Rates

Dear Scott:

Thank you again for the materials you provided last month after our executive-level meeting regarding AT&T's concerns with the pole attachment rental rates it has been paying for use of poles covered by the 1969 and 2000 joint use agreements previously managed by Progress Energy Florida and Progress Energy CP&L, and the just and reasonable rate to which AT&T is entitled under federal law. We reviewed the materials you provided and continue to believe that AT&T should pay a new telecom rental rate like its competitors, with Duke paying a proportional new telecom rate for its use of AT&T's poles calculated in the manner shown in the spreadsheet I sent you last month.

Consistent with the commitments made during our meeting, I would like to schedule a follow-up meeting with the hope of reaching a negotiated resolution. We are available to travel back to Duke's offices in Raleigh for a meeting on September 9-12, 16, or 19-20. Please let me know as soon as possible which of these dates is most convenient for you and your team. We have some questions about Duke's rate calculations that we would like to discuss at the meeting. But more importantly, we want to see whether we can reach an agreement about just and reasonable rates during the meeting. To that end, I will have full settlement authority, and request that Duke come prepared with a proposal to resolve this matter.

Regards,

Dianne W Miller

Dianne Miller
AT&T
Director – Construction & Engineering, National Joint Utility Team

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EXHIBIT 4
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EXHIBIT 5
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EXHIBIT 6
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