

April 25, 2015

Dear W.S. Lee Steam Station Neighbor,

We would like to invite you to a community open house event on Thursday, May 7, 2015, to learn more about Duke Energy's coal ash management project for the W.S. Lee plant. During this time, you'll have the opportunity to take a bus tour to the plant site, leaving from town hall. Company experts will also be on hand to talk with you about the topics below:

Coal ash removal project

Duke Energy is committed to closing ash basins in a timely way that protects the communities we serve. In September 2014, we announced plans to excavate ash from two areas of the W.S. Lee site. In December 2014, we updated the community that the ash would be relocated to a landfill in partnership with Waste Management. Preparations for this work began in March 2015. Duke Energy continues to evaluate options for the remaining ash at the site, which includes exploring a potential landfill on plant property.

We understand this project will be visible and noticeable in the community. And we are working to minimize impacts to our surrounding site neighbors and the community as a whole to ensure a successful project. Transportation trucks moving materials from the site will be fully covered and secured with a tight-fitting tarp. In addition, before the trucks exit the project site and onto the roadways, they will enter a truck wheel wash.

Materials will be transported to Waste Management's R&B Landfill, a fully lined and permitted solid waste disposal facility in Homer, Ga. We plan to begin transporting ash in mid-May 2015. Moving ash from these two locations on the property is expected to last two to three years.

Truck haul routes

Duke Energy conducted a comprehensive review of six potential haul routes to and from the plant site and I-85. The routes selected will be safe, have as low as reasonably achievable community impact and be economical. Neighbor impacts were a primary consideration in our thorough evaluation. For your convenience, we have enclosed a map of the primary selected haul routes for trucks leaving and returning to the plant site.

W.S. Lee Coal Ash Management Community Open House

Thursday, May 7, 2015
4:30 - 7:30 p.m.

Williamston Town Hall Auditorium
12 West Main Street
Williamston, SC 29697



The trucks will be fueling at O'Dell Oil in Belton, S.C., in the early morning hours and traveling to the plant site. We have also included a map of these routes to the plant and returning off I-85.

The trucks will leave from both O'Dell Oil and the plant in a timed manner to avoid congestion along the routes. Waste Management has allocated 50 trucks for the project.

Combined-cycle construction and other activity at the site

The three-unit coal-fired plant retired on Nov. 6, 2014, and decommissioning is underway. While retired from coal use, unit 3 was recently converted to natural gas.

In 2014, the Public Service Commission of South Carolina approved plans for Duke Energy Carolinas to build and operate a 750-megawatt natural gas-fired combined-cycle plant at the existing W.S. Lee Steam Station. The North Carolina Electric Membership Corporation (NCEMC) will be co-owner of 100 megawatts of the project.

Duke Energy Carolinas will begin construction on this facility in the summer of 2015. The construction of this plant is part of a comprehensive, long-term plan to add new generation, modernize the fleet, maintain a diverse fuel portfolio and manage customer costs – while delivering a high-quality, reliable power supply.

A good neighbor

Duke Energy Carolinas has operated the W.S. Lee Steam Station at the site since 1951. Volunteerism and community spirit have long been part of the plant's operations, and that legacy will continue with the construction and operation of this facility for years to come.

From volunteering, charitable contributions and community service efforts, Duke Energy and its employees contributed more than \$190,000 to local communities near the plant in 2014. In addition, the facility provided a tax base in 2014 of nearly \$9 million.

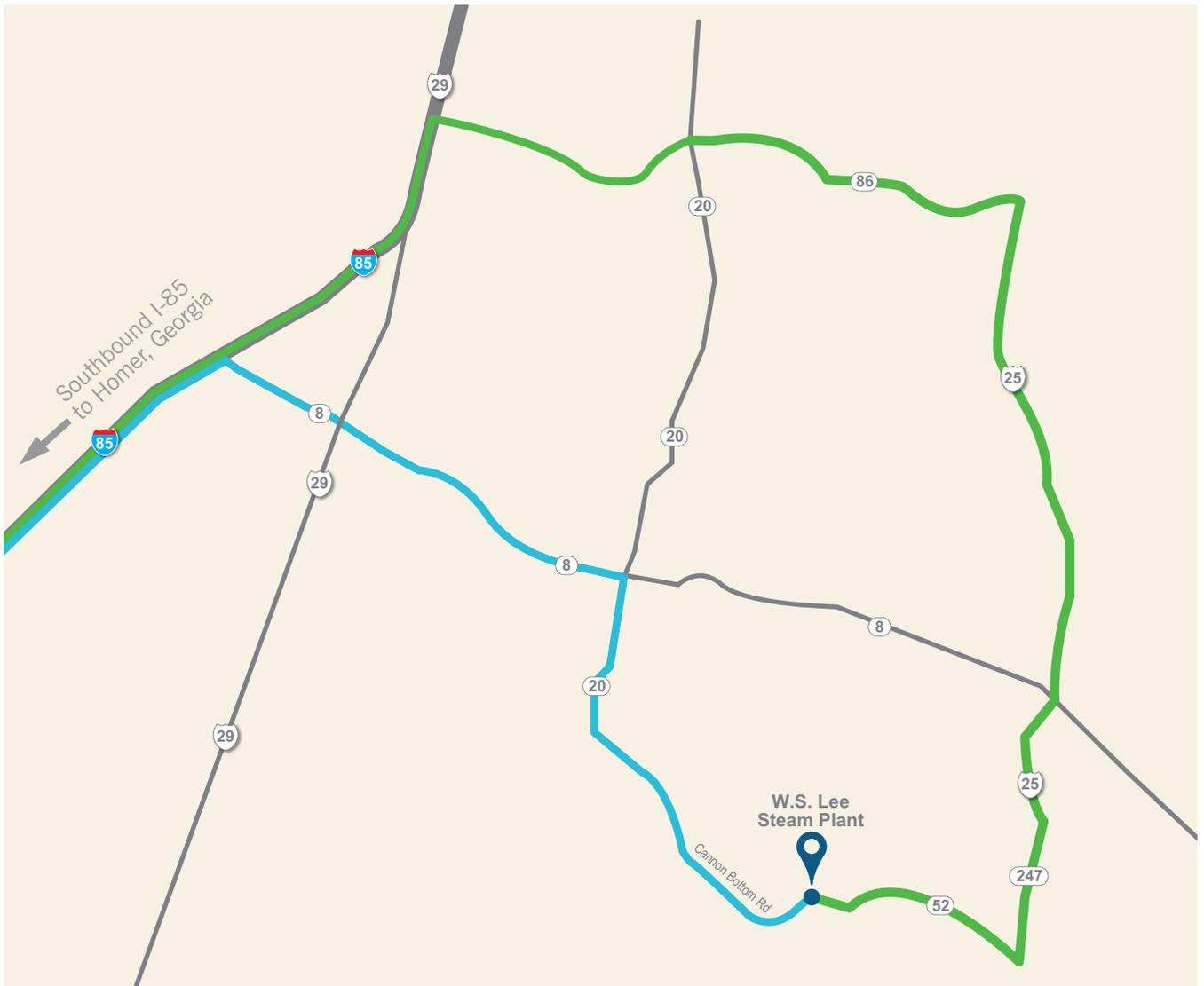
I hope you find this update helpful and informative, and we hope to see you on May 7. I also invite you to visit our W.S. Lee site-specific Web page to stay updated with plant happenings: duke-energy.com/wslee. If you have any questions, please feel free to contact us at 800.265.6518 or CoalAshQuestions@duke-energy.com.

Sincerely,



George Acker

Vice President, Community Relations
Duke Energy

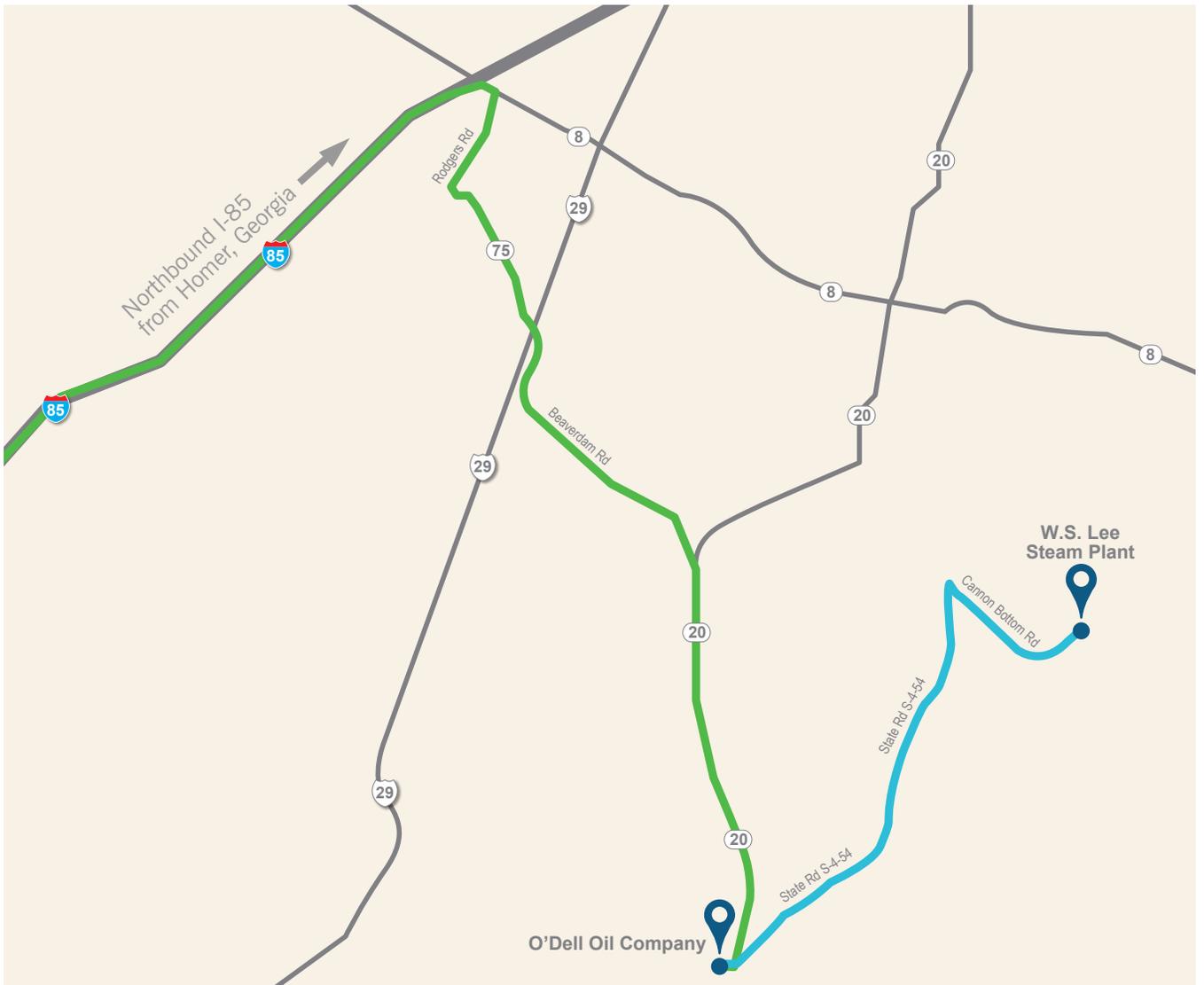


Primary outbound route: W.S. Lee to I-85

- Leave W.S. Lee eastbound on Lee Steam Plant Road (left turn from main entrance)
- Proceed east to Highway 52 (Holland Ford Road/Beech Springs Road) and turn right
- Continue east on Highway 52 to Highway 247 (Belton Highway) and turn left at intersection going northbound
- Continue northeast on Highway 247 to Highway 25 and turn left at intersection
- Keep north on Highway 25 to Highway 86 and turn left at intersection
- Continue on Highway 86 through the town of Piedmont to I-85
- Turn right at intersection onto on-ramp heading southbound

Primary inbound route: I-85 to W.S. Lee

- From I-85, turn right onto Highway 8 eastbound
- Continue on Highway 8 (Main Street) through the town of West Pelzer
- Turn right onto Highway 20 (Greenville Drive) southbound
- Turn left onto S. Hamilton Street through the town of Williamston
- Slight left onto Cannon Bottom Road
- Continue straight onto Lee Steam Plant Road (plant on the left)



Primary Morning route: From Staging and Fuel Area to W.S. Lee

- O'Dell Oil right on Sherrard Road
- Sherrard Road left on SC-20
- SC-20 right on Big Creek Road
- Big Creek Road right on Cannon Bottom Road
- Cannon Bottom Road right on Lee Steam Plant Road
- Lee Steam Plant Road right on Lee Steam Plant Access Road

Primary Evening route: From I-85 to Staging and Fuel Area

- I-85 right on SC-8
- SC 8 right on Midway Road
- Midway Road left on Cherokee Road
- Cherokee Road right onto Chippewa Lane
- To Beaverdam Road
- Beaverdam Road right on SC-20
- SC-20 right on Sherrard Road