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November 13, 2014

John E. Skvarla, III
Secretary
North Carolina Department of Environment & Natural Resources
Mailing: 1636 Mail Service Center
217 W. Jones Street
Raleigh, NC 27699-1636

Dear Secretary Skvarla:

As requested in the letter from the North Carolina Department of Environment and Natural Resources (NC DENR) to Duke Energy dated August 13, 2014, Duke Energy is submitting the attached Coal Ash Excavation Plans for Riverbend Steam Station, Dan River Steam Station, L.V. Sutton Electric Plant, and Asheville Steam Electric Generating Plant.

In general, these Excavation Plans cover the first 12 – 18 months (Phase I) of ash basin excavation activities, including site preparation, ash basin preparation, the initiation of basin dewatering, and ash removal from the basins. These plans will normally be updated and submitted to NC DENR annually or earlier as required by Subsequent Phase(s). These plans also represent the activities necessary to satisfy the requirements outlined in Sections 3(b) and 3(c) Subparagraph 1&2 of the Coal Ash Management Act of 2014.

Each Excavation Plan details what Duke Energy considers to be the necessary permits to begin work or facilitate subsequent phases of work. Integral to the success of the Excavation Plans is the timely receipt of permits, including industrial stormwater, National Pollutant Discharge Elimination System, landfill, structural fill and mine reclamation permits where applicable.

The objective of these excavation efforts is to achieve ash basin closure in a reasonable, prudent, and cost effective manner. The initial phases of these Excavation Plans will incorporate off-site transportation and disposition options, which are generally more costly than the utilization of on-site, lined landfills. Initial use of offsite solutions is necessary for the Company to meet the deadlines prescribed in the Coal Ash Management Act of 2014 for High Priority sites. Timely receipt of landfill permits will enable the Company to expeditiously transition from more costly off-site storage locations at sites where these landfills are practical.

We are prepared to implement these Excavation Plans upon receipt of NC DENR written approval of these plans and necessary permits.

John Elnitsky

Sincere

Senior Vice President