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September 23, 2025

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, D.C. 20555

SUBJECT: Crystal River Nuclear Unit 3
Docket Nos. 50-302, 72-1035; License No. DPR-72
Request for Threshold Determination, or in the Alternative, Request for Consent to Indirect Control of License pursuant to 10 CFR § 50.80

Dear Sir or Madam:

Duke Energy Florida, LLC, a Florida limited liability company ("DEF"), respectfully requests (the "Request") a determination by the Nuclear Regulatory Commission ("NRC" or the "Commission") that the investment of up to a 19.7% minority interest in its immediate parent company, Florida Progress, LLC, a Florida limited liability company ("Florida Progress"), by Peninsula Power Holdings L.P., a Delaware limited partnership ("Peninsula Power Holdings") (such sale as further described below, the "Transaction"), does not constitute a change of control requiring prior NRC consent pursuant to 10 C.F.R. § 50.80. In the alternative, if the NRC concludes that the Transaction does constitute a change of control, DEF requests approval of the Transaction pursuant to Section 184 of the Atomic Energy Act, as amended ("AEA") and 10 CFR § 50.80.

I. BACKGROUND

Duke Energy Corporation, a Delaware corporation ("Duke"), owns one hundred percent (100%) of the equity interests in Progress Energy, Inc., a North Carolina corporation ("PEI"), which owns one hundred percent (100%) of Florida Progress. In turn, Florida Progress owns one hundred percent (100%) of the issued and outstanding membership interests of DEF. Simplified charts showing the pre- and post-Transaction organizational structure of DEF are attached as Attachments A-1 and A-2, respectively.

Until September 30, 2020, DEF held Facility Operating License No. DRP-72 for the Crystal River Unit 3 Nuclear Generating Plant ("CR-3") and the associated general license for the CR-3 Independent Spent Fuel Storage Installation ("ISFSI") (the "NRC Licenses"). CR-3 was a commercial nuclear power electric generating plant that was part of the Crystal River Energy Complex in Citrus County, Florida, that has been shut down since early 2013 and is currently undergoing decommissioning with an expected completion date of mid to late 2027. On April 1, 2020, the NRC approved DEF's request, on behalf of itself and ADP CR3, LLC ("ADP"), to transfer DEF's operating license authority over CR-3 to ADP in order to implement expedited decommissioning of CR-3 (the "April 2020 NRC Approval").[1]

ADP is a wholly owned subsidiary of Accelerated Decommissioning Partners, LLC, which is a joint venture of NorthStar Group Services and Orano Decommissioning Holdings. Orano is owned by Orano USA LLC (formerly, AREVA Nuclear Materials, LLC). Pursuant to the April 2020 NRC Approval, DEF entered into a Decommissioning Services Agreement ("DSA") with ADP, under which ADP assumed the licensee responsibilities for all activities conducted under the NRC Licenses.

More specifically, upon closing of that transaction on October 1, 2020, pursuant to the April 2020 NRC Approval: (i) ADP assumed control of, and managerial responsibility for, all licensed activities, including decommissioning of the CR-3 facility and its associated buildings and structures; (ii) ADP became licensed to possess, maintain, and decommission the CR-3 facility; (iii) DEF continued to own the CR-3 facility, as well as its associated assets and real estate (including its nuclear decommissioning trust ("NDT")), except for the ISFSI, the spent nuclear fuel, the high-level radioactive waste, the greater than Class C ("GTCC") waste, and the associated storage canisters, which would be owned, but not possessed, by ADP SF1,

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[1] *See* NRC, *Order Approving Transfer of Licensed Authority from Duke Energy Florida, LLC to ADP CR3, LLC*, Agencywide Documents Access and Management System (ADAMS) Accession No. ML20069A023 (Apr. 1, 2020).

LLC ("ADP SF1"), an affiliate of ADP; (iv) DEF remained responsible for directing the trustee of the NDT to disburse funds to pay for the costs of decommissioning as work is completed; (v) ADP SF1 acquired the ISFSI, its associated equipment, and title to the spent nuclear fuel, the high-level radioactive waste, and the GTCC waste at the CR-3 facility; (vi) DEF assigned to ADP SF1 its Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste ("Standard Contract") with the U.S. Department of Energy ("DOE"); (vii) ADP SF1 owns, but does not possess, the spent nuclear fuel and waste pursuant to the general license, while ADP possesses the spent nuclear fuel and waste under the NRC Licenses; and (viii) ADP SF1 entered into an operating agreement with ADP, under which ADP SF1 pays ADP for all costs of operating, maintaining, and decommissioning the ISFSI, and for ultimately removing all material owned by ADP SF1 from the CR-3 site.

The Transaction does not affect, alter, or grant Peninsula Power Holdings any rights to direct or control DEF's actions with respect to the NRC Licenses, any of the above rights, relationships or responsibilities, or DEF's financial obligations with respect to CR-3. Further, there will be no change in the identity of any CR-3 licensee nor any need for an amendment to any license or accompanying documents as a result of the proposed Transaction. The Transaction also does not, in any way, affect ADP, ADP SF1, the DSA, or any activities, rights or obligations of ADP or ADP SF1 pursuant to the NRC Licenses.

II. PROPOSED TRANSACTION

On August 4, 2025, Duke, PEI and Florida Progress entered into an Investment Agreement (the "Investment Agreement") with Peninsula Power Holdings, an affiliate of Brookfield Super-Core Infrastructure Partners, pursuant to which Florida Progress agreed to issue to Peninsula Power Holdings, and Peninsula Power Holdings agreed to acquire from Florida Progress, certain newly issued membership interests of Florida Progress such that Peninsula Power Holdings will own up to 19.7% of the issued and outstanding Florida Progress membership interests following a series of closings, for an aggregate amount of up to $6 billion, subject to certain adjustments described below. Florida Progress is the sole owner of DEF. At the first closing under the Investment Agreement (the "First Closing"), Florida Progress will issue to Peninsula Power Holdings 9.2% of the Florida Progress membership interests issued and outstanding immediately after the First Closing, subject to adjustment, in exchange for $2.8 billion. The First Closing will be followed by additional closings (the "Subsequent Closings") with the following subsequent investments occurring no later than on the following timeline: (i) Peninsula Power Holdings will invest an additional $200 million in Florida Progress no later than December 31, 2026; (ii) Peninsula Power Holdings will invest an additional $500 million in Florida Progress no later than June 30, 2027; (iii) Peninsula Power Holdings will invest an additional $1.5 billion in

Florida Progress no later than December 31, 2027; and (iv) Peninsula Power Holdings will invest an additional $1 billion in Florida Progress no later than June 30, 2028. Following the First Closing, Peninsula Power Holdings has the option to fund the subsequent investments, and acquire the corresponding additional interests, earlier than the scheduled timeline set forth above.

In addition to the satisfaction of certain customary conditions and receipt of a determination by the NRC that NRC approval of the transaction is not required, or in the alternative receipt of NRC approval, the closing of the transactions contemplated by the Investment Agreement and the issuance of Florida Progress membership interests thereunder is subject to receipt of the approval of the Federal Energy Regulatory Commission ("FERC") and completion of review by the Committee on Foreign Investments in the United States ("CFIUS").

In addition, each of the parties has agreed to customary covenants prior to the First Closing, including, among others, the following: (i) PEI will conduct the business of Florida Progress and its subsidiaries in the ordinary course of business consistent with past practices and will preserve, maintain and protect the assets of Florida Progress and its subsidiaries in material compliance with applicable laws and material permits and contracts; (ii) the parties will cooperate and use reasonable best efforts to obtain the required regulatory consents as soon as reasonably practicable; and (iii) the parties will take all action and do all things necessary, proper, or advisable under applicable laws to consummate the transactions, including executing documents and taking actions as may be reasonably requested by another party in order to consummate the transactions, subject to customary exceptions.

The Investment Agreement contains representations and warranties by Duke Energy, PEI and Peninsula Power Holdings, all of which are customary for transactions of this type. It also obligates the parties to indemnify each other from and after the First Closing for certain losses arising out of breaches of the Investment Agreement or failure by a party to perform with respect to the representations, warranties, or covenants contained in the Investment Agreement, among other things, subject to customary limitations. The Investment Agreement contains certain termination rights for both PEI and Peninsula Power Holdings prior to the First Closing, including termination: (i) by mutual consent of PEI and Peninsula Power Holdings; (ii) by either Peninsula Power Holdings or PEI if the First Closing has not occurred by May 4, 2026, subject to possible extension to November 4, 2026; (iii) by either Peninsula Power Holdings or PEI, as the case may be, prior to the First Closing upon certain material breaches or failures to perform any of the representations, warranties, covenants or agreements by the other party; or (iv) by either Peninsula Power Holdings or PEI prior to the First Closing in the event of a final and non-appealable order or action restraining, enjoining or otherwise prohibiting the

transactions. The Investment Agreement also provides that, upon termination of the Investment Agreement under certain specified circumstances prior to the First Closing, Peninsula Power Holdings will be required to pay PEI a termination fee of $240 million.

In connection with the First Closing, Peninsula Power Holdings, Florida Progress, and PEI will enter into an Amended and Restated Limited Liability Company Operating Agreement of Florida Progress (the "LLC Agreement"), the form of which has been agreed to by the parties. The LLC Agreement will establish the general framework governing the relationship between Peninsula Power Holdings and PEI, and their respective successors and transferees, as members of Florida Progress ("Members") and will provide Peninsula Power Holdings with limited governance rights commensurate with its ownership. Certain transfer restrictions, transfer rights, and other rights apply to Peninsula Power Holdings and PEI under the LLC Agreement, including (i) the right of Peninsula Power Holdings to require PEI to acquire Peninsula Power Holding's Florida Progress interests in certain circumstances and (ii) the right of PEI to require Peninsula Power Holdings to sell its Florida Progress interests to PEI in certain circumstances.

Following the First Closing, the Florida Progress board (the "Board") shall consist of eleven (11) Managers, of which two (2) Managers initially shall be designated by Peninsula Power Holdings (each, a "New Peninsula Power Holdings Designee") and nine (9) Managers shall be designated by Progress Energy (each, a "Progress Energy Designee"). Further, from and after the First Closing, Peninsula Power Holdings also shall be entitled to appoint three (3) persons to serve as non-voting board observers (the "Board Observers").[2] Except with respect to the Special Nuclear Committee (discussed below), any Board Observer shall have the right to receive notice of, attend and participate in all meetings of the Board and to receive all information, in each case, at the same time and in the same manner as provided to Managers; *provided, however*, that Florida Progress reserves the right to withhold any information and to exclude any such Board Observers from any meeting or any portion thereof to the extent (and only to the extent) preventing access to such information or attendance at such meeting is reasonably necessary to preserve the attorney-client or other legal privilege of Florida Progress or avoid a conflict of interest. No Board Observer shall have any voting rights with respect to any matter brought before the Board or any fiduciary obligations to Florida Progress or the Members, but each Board Observer shall be bound by the same confidentiality obligations under the LLC Agreement as the Managers.

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[2] In certain future ownership scenarios, Peninsula Power Holdings may only be entitled to appoint two (2) persons to serve as Board Observers.

Pursuant to the LLC Agreement, and in an abundance of caution, for as long as DEF holds the NRC Licenses, Progress Energy shall establish a "Special Nuclear Committee" of the Board, consistent with the AEA, which will be chaired by the chairman of the Board and consist of at least three (3) other Managers, all of whom shall be Progress Energy Designees who are U.S. citizens. The committee will be responsible for overseeing DEF's activities pursuant to NRC License No. DPR-72 and will be disbanded upon release, transfer or relinquishment of such license.

The Investment Agreement, the form of the LLC Agreement and the form of Special Nuclear Committee Charter are attached as Attachments B, C, and D, respectively.

III. ABOUT PENINSULA POWER HOLDINGS

Peninsula Power Holdings was formed for the purpose of effecting the Transaction and is controlled by its general partner Peninsula Power GP LLC, which is wholly owned by its sole member Brookfield Super-Core Infrastructure Partners GP LLC ("Brookfield GP"). Brookfield GP is the general partner of Brookfield Super-Core Infrastructure Partners, a perpetual investment fund that makes long-term investments in high-quality, core infrastructure assets located principally in North America, Western Europe, and Australia. Brookfield GP is an indirect, wholly owned subsidiary of Brookfield Corporation, an Ontario corporation (f/k/a Brookfield Asset Management Inc.). Accordingly, Brookfield Corporation indirectly controls Peninsula Power Holdings.[3] Brookfield Corporation is a "known entity" for NRC licensing purposes by virtue of its indirect ownership and control of other NRC-licensed entities, including, without limitation, Westinghouse Electric Company, LLC.[4]

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[3] Peninsula Power Holdings has limited partnership interests that have only limited consent and veto rights consistent with Commission precedent, *see* NRC, *Letter from V. Sreenivas (NRC) to D. Hamilton (Energy Harbor) re: Threshold Determination for a Voting Power Increase in Parent Company*, ADAMS Accession No. ML23066A289 (Mar. 14, 2023); NRC, *Letter from S. Helton (NRC) to M. Sweeney (Westinghouse) re: U.S. Nuclear Regulatory Commission Review and Decision on Threshold Determination Request*, ADAMS Accession No. ML23055A302 (Mar. 8, 2023), and do not allow the limited partners to control or influence day-to-day management or to remove the manager without cause.

[4] Westinghouse Electric Company, LLC ("Westinghouse") is the licensee for License No. SNM-1107 for the Columbia Fuel Fabrication Facility, in Hopkins, South Carolina. NRC consented to the indirect transfer of control of Westinghouse Electric Company, LLC to investment vehicles controlled by Brookfield Corporation (then known as Brookfield Asset Management, Inc.) on June 28, 2018. *Order Approving the Indirect Transfer of Control of Licenses,* ML18162A158 (June 28, 2018). The order also approved transfer of control over 29 Part 110 export licenses then held by Westinghouse. In 2023, the NRC consented to a subsequent transaction, under which Brookfield *(cont'd)*

Brookfield Corporation has two classes of voting securities, Class A shares and Class B shares, which together account for 100% of the voting securities of Brookfield Corporation. The outstanding Class A shares of Brookfield Corporation are publicly traded on the Toronto Stock Exchange and the New York Stock Exchange under the symbol "BN." To the best of Brookfield Corporation's knowledge, no public shareholder (in aggregate together with its associate or affiliate companies) owns 10% or more of the outstanding Class A shares of Brookfield Corporation. The outstanding Class B shares of Brookfield Corporation are held by the "BAM Partnership," a trust constituted under the laws of the Province of Ontario, the corporate trustee of which, BAM Class B Partners Inc. (the "Trustee"), is held, directly or indirectly, by certain longstanding individual stockholders. Two corporations each directly hold 33.3% of the voting interests in the Trustee: (1) Partners FC II Ltd., a Bermuda company, which is wholly and directly owned by Bruce Flatt, a private individual (Mr. Flatt and together with Partners FC II Ltd., "Flatt"); and (2) Partners FCB1 Inc., an Ontario Corporation, which is wholly and directly owned by Jack Cockwell, also a private individual (Mr. Cockwell and together with Partners FCB1 Inc., "Cockwell"). Mr. Flatt and Mr. Cockwell are each Canadian Citizens. No other person or entity owns or controls (directly or indirectly and together with its affiliates) a 10% or greater voting interest in the Trustee or has the right to appoint or otherwise has a non-independent officer, director, or management representative of the Trustee. The Trustee votes the Class B Shares held by the BAM Partnership with no single entity or individual controlling the BAM Partnership.

Aside from the BAM Partnership, the Trustee, Flatt, and Cockwell, no person or entity currently owns or exercises control or direction over, directly or indirectly, a 10% or greater voting interest in Brookfield Corporation or has the right to appoint or otherwise has a non-independent officer, director, or management representative of Brookfield Corporation.

IV. REQUEST FOR THRESHOLD DETERMINATION

DEF requests a threshold determination confirming that the Transaction does not result in an indirect change of control of the NRC Licenses. This position aligns with NRC precedent concerning similar transactions.

Under Section 184 of the AEA, written consent from the NRC is required for the "transfer of control of any license to any person" whether such transfer takes place

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Corporation has retained a controlling, indirect interest in Westinghouse. *See Order Approving the Indirect Transfer of Control of Licenses,* ML23096A283 (May 15, 2023).

"directly or indirectly."[5] Control of a license "is to be found in the person or persons who, because of ownership or authority explicitly delegated by the owners, possess the power to determine corporate policy and thus the direction of the activities under the license."[6] The Transaction would not result in the transfer to Peninsula Power Holdings or any of its upstream owners or controllers of the power to direct DEF's activities under the license.

A finding that the Transaction does not involve the transfer of control, either directly or indirectly, of the licensee or the NRC Licenses is consistent with NRC precedent. The NRC has frequently determined that there is no change of control, and its approval is not needed for analogous transactions involving the indirect upstream acquisition of similarly-sized and larger minority interests in an NRC licensee. For example:

- In 2000, the NRC issued a threshold determination that the acquisition of New England Electric System ("NEES"), which included an NEES subsidiary's 24% ownership of Maine Yankee (a permanently shut-down nuclear electric power generating station then undergoing decommissioning),[7] by the U.K. company National Grid Group plc did not result in a transfer of control of Maine Yankee requiring NRC consent.[8]

- In 2008, the NRC determined that the indirect upstream acquisition of a 38% interest in Maine Yankee by the Spanish company Iberdrola did not result in a transfer of control of Maine Yankee requiring NRC approval.[9]

- In 2019, the NRC determined that the indirect upstream acquisition of a 12% interest in Maine Yankee by the Canadian company ENMAX

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5 42 U.S.C. § 2234.

6 *Safety Light Corp. (Bloomsburg Site Decontamination)*, ALAB-931, 31 NRC 350, 367 (1990).

7 Maine Yankee ceased commercial operations in 1997 and completed decommissioning in 2005 with only the Independent Spent Fuel Storage Facility housing the spent nuclear fuel from Maine Yankee that is still subject to the NRC license remaining.

8 NRC, *Letter from S. Collins (NRC) to P. Robinson (Hopkins & Sutter) re: Review of Direct and Indirect Transfer of Ownership Interests*, ADAMS Accession No. ML003685187 (Feb. 24, 2000).

9 NRC, *Letter from L. Chang (NRC) to C. McCarthy (Leboeuf, Lamb) re: Indirect License Transfer of U.S. NRC License Nos. DPR-3, SFGL-13, DPR-36, SFGL-14, DPR-61 and SFGL-16*, ADAMS Accession No. ML080140289 (Feb. 21, 2008).

did not result in a transfer of control of Maine Yankee requiring NRC approval.[10]

Thus, consistent with the long-standing NRC precedent acknowledging that similar transactions do not result in a change in control requiring NRC prior consent, the NRC should find that the Transaction does not result in a change in control over the licensee or licensed activities and does not require NRC prior consent. In the alternative, if the NRC concludes the Transaction does constitute a transfer of control over the NRC Licenses, DEF respectfully requests approval of such transfer pursuant to Section 184 of the AEA, 10 CFR § 50.80, and in that event, additional information in support of such an approval request is attached as Attachment E.

V. CONCLUSION

The parties desire to consummate the Transaction as soon as all required regulatory approvals and rulings are received and/or waiting periods have expired. The Transaction is also subject to approval or clearances by FERC and CFIUS. Accordingly, the parties respectfully request a letter from the NRC staff prior to November 22, 2025, confirming that there is no need to obtain NRC consent.

The parties appreciate the NRC Staff's attention to this matter. Please do not hesitate to contact the parties at the information below if you require any additional information.

Sincerely,

/s/ Robert W. Warnement

Robert W. Warnement
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Counsel to Duke Energy Florida

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[10] NRC, *Letter from J. McKirgan (NRC) to T. Matthews (Morgan Lewis) re: Maine Yankee Atomic Power Company – Threshold Determination that NRC Consent Is Not Required in Connection with Acquisition of Emera Maine by ENMAX Corporation*, ADAMS Accession No. ML19241A458 (Aug. 29, 2019).

Attachments:

Attachment A – Pre-Transaction and Post-Transaction Simplified Organization Charts
Attachment B – Investment Agreement
Attachment C – Form of LLC Agreement
Attachment D – Form of Special Nuclear Committee Charter
Attachment E – Supporting Information Related to the Transaction

cc:

Chris Allen, NRC NMSS Project Manager
Regional Administrator, Region I
State of Florida
ADP CR3, LLC

AFFIRMATION

I, Regis Repko, Senior Vice President of System Planning and Construction, being duly sworn, hereby depose and state that I am an Authorized Signatory of Duke Energy Florida, LLC, and that I am duly authorized to sign and file this request on behalf of this company. To the best of my knowledge and belief, the statements contained in this document with respect to this company are true and correct. To the extent that these statements are not based on my personal knowledge, they are based upon information provided by employees and/or consultants to the company. Such information has been reviewed in accordance with company practice, and I believe it to be reliable.

Regis Repko

STATE OF North Carolina)
)
COUNTY OF Mecklenburg)

Subscribed and sworn to me, a Notary Public, in and for the State of North Carolina this 23 day of September, 2025.

Patricia C Ross

My commission expires: 10-23-2029

PATRICIA C. ROSS
NOTARY PUBLIC
Mecklenburg County
North Carolina

AFFIRMATION

I, Elisabeth Press, Senior Vice President, being duly sworn, hereby depose and state that I am an Authorized Signatory of Peninsula Power Holdings L.P., and that I am duly authorized to sign and file this request on behalf of this company. To the best of my knowledge and belief, the statements contained in this document with respect to this company are true and correct. To the extent that these statements are not based on my personal knowledge, they are based upon information provided by employees and/or consultants to the company. Such information has been reviewed in accordance with company practice, and I believe it to be reliable.

Elisabeth Press

STATE OF Texas)
)
COUNTY OF Harris)

Subscribed and sworn to me, a Notary Public, in and for the State of Texas, this 23rd day of September, 2025.

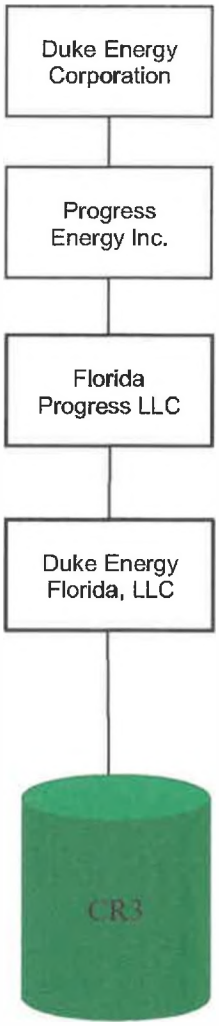
Adrienne Pinchback

ADRIENNE PINCHBACK
My Notary ID # 131183501
Expires June 22, 2029

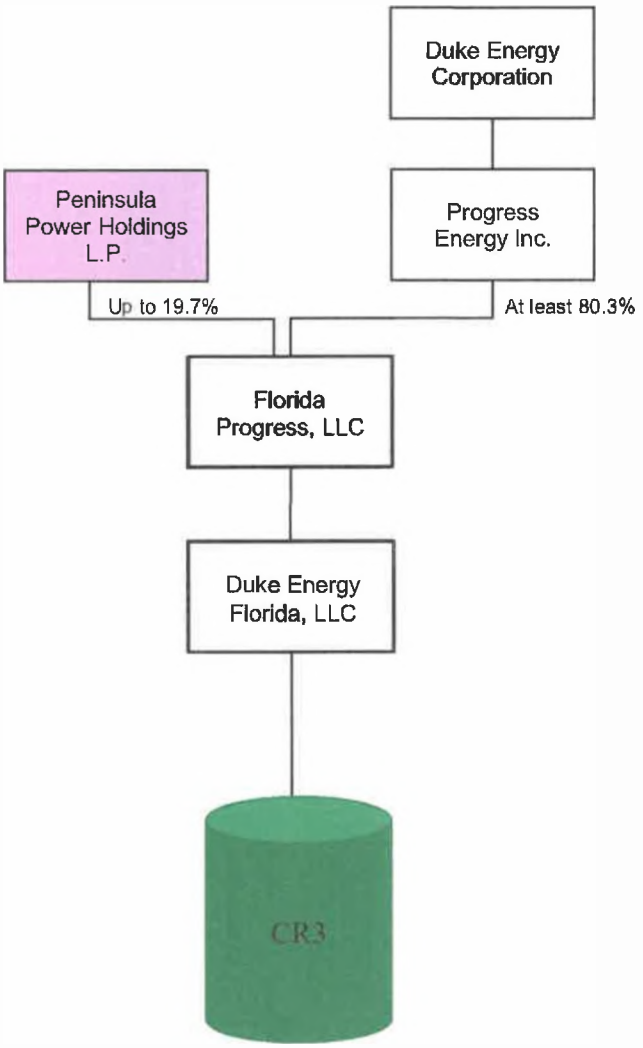
ATTACHMENT A

PRE-TRANSACTION AND POST-TRANSACTION SIMPLIFIED ORGANIZATIONAL CHARTS

Attachment A-1
Pre-Transaction Structure (simplified)



Attachment A-2
Post-Transaction Structure (simplified)



ATTACHMENT B

INVESTMENT AGREEMENT

Execution Version

INVESTMENT AGREEMENT

by and among

PROGRESS ENERGY, INC.,

FLORIDA PROGRESS, LLC,

DUKE ENERGY CORPORATION

and

PENINSULA POWER HOLDINGS L.P.

Dated as of August 4, 2025

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Progress Energy Disclosure Schedules

INVESTMENT AGREEMENT

THIS INVESTMENT AGREEMENT (including all schedules and exhibits attached hereto, this "Agreement"), dated as of August 4, 2025 (the "Agreement Date"), is entered into by and among Progress Energy, Inc., a North Carolina corporation ("Progress Energy"), Florida Progress, LLC, a Florida limited liability company (the "Company"), Duke Energy Corporation, a Delaware corporation ("Duke"), and Peninsula Power Holdings L.P., a Delaware limited partnership ("Investor") (Progress Energy, the Company, Duke and Investor being sometimes hereinafter referred to individually as a "Party" and together as the "Parties").

RECITALS

WHEREAS, Duke owns, directly or indirectly, one hundred percent (100%) of the Equity Interests of Progress Energy;

WHEREAS, Progress Energy owns one hundred percent (100%) of the issued and outstanding membership interests of the Company (the "Company Membership Interests");

WHEREAS, on the terms and subject to the conditions set forth herein, the Company wishes to issue and sell to Investor, and Investor wishes to purchase from the Company, certain newly issued Company Membership Interests such that, after giving effect to the Transactions (as defined below), Investor will own the aggregate Acquired Percentage of the Company Membership Interests;

WHEREAS, contemporaneously with the First Closing, Progress Energy, Investor and the Company will enter into an Amended and Restated Limited Liability Company Agreement of the Company substantially in the form attached hereto as Exhibit A (the "A&R LLC Agreement") to memorialize their mutual agreements and understandings relating to the ownership, management and operation of the Company; and

WHEREAS, contemporaneously herewith, (a) Brookfield Super-Core Infrastructure Partners L.P., Brookfield Super-Core Infrastructure Partners (ER) SCSp, Brookfield Super-Core Infrastructure Partners (CAN) L.P., Brookfield Super-Core Infrastructure Partners (NUS) L.P., and Brookfield Super-Core Infrastructure Partners (CAN) TE L.P. (together, "BSIP") and the Company have entered into a Limited Guarantee (the "Guarantee") pursuant to which BSIP will guarantee certain obligations of Investor under this Agreement, (b) BSIP and Investor have entered into an equity commitment letter (the "BSIP Equity Commitment Letter"), pursuant to which BSIP has committed, subject to the terms and conditions thereof, to invest in Investor, directly or indirectly, equity funding in the amount set forth therein (the "First Closing Equity Financing") and (c) Brookfield Asset Management Ltd. ("BAM") and Investor have entered into an equity commitment letter (the "BAM Equity Commitment Letter," and together with the BSIP Equity Commitment Letter, the "Equity Commitment Letters") pursuant to which BAM has committed, subject to the terms and conditions thereof, to invest in Investor, directly or indirectly, equity funding in the amount set forth therein (the "Subsequent Closing Equity Financing").

NOW, THEREFORE, in consideration of the mutual covenants and agreements in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. As used in this Agreement the following terms have the following meanings:

"A&R LLC Agreement" has the meaning given in the Recitals. For purposes of this Agreement, any reference to the "A&R LLC Agreement" in this Agreement shall refer to (1) with respect to any time period prior to the First Closing, the form of the A&R LLC Agreement attached hereto as Exhibit A as if such agreement were in effect as of the date of this Agreement and (2) with respect to any time period from and after the First Closing, the A&R LLC Agreement then in effect.

"Acquired Interests" means the First Closing Acquired Interests and the Subsequent Closing Acquired Interests acquired by Investor at one or more Subsequent Closings, individually or collectively, as applicable and as the context requires.

"Acquired Percentage" means the First Closing Acquired Percentage and the Subsequent Closing Acquired Percentage acquired by Investor at one or more Subsequent Closings, individually or collectively, as applicable and as the context requires.

"Action or Proceeding" means any notice, charge, assertion, appeal, action, demand, inquiry, citation, summons, litigation, suit, proceeding, complaint, audit, hearing, mediation, grievance, arbitration or investigation by or before any Governmental Authority or any validly constituted arbitral panel or similar body, of any nature (criminal, civil, administrative, regulatory, investigative or otherwise), and whether at law or at equity.

"Additional Capital Investment" means the amount of any cash equity capital contributions to, or investments of any additional cash equity capital in, the Company for "Necessary Expenses" (as defined in the A&R LLC Agreement) made by Progress Energy on or after the Agreement Date and prior to the First Closing in connection with an "Unforeseen Event" (as defined in the A&R LLC Agreement); provided, that, (a) the amount of Additional Capital Investment shall be reduced by the aggregate amount of any outstanding balances owed to the Group Companies by any Affiliate of the Company (other than the Group Companies) as part of the cash management policies of the Duke Consolidated Group and (b) in no event shall any Additional Capital Investment include any capital contributions where such amounts are used by the Company (and not, for the avoidance of doubt, its Subsidiaries) to satisfy any intercompany obligation of the Company (and not, for the avoidance of doubt, its Subsidiaries) where the Company (and not, for the avoidance of doubt, its Subsidiaries) is the obligor and the payee is an Affiliate of the Company (other than a Group Company); provided, further, that in no event shall the amount of Additional Capital Investment be less than $0.00 or more than $1,000,000,000.00.

"Adjusted Company Equity Value" means (a) the Base Company Equity Value, plus (b) any Additional Capital Investment.

"Affiliate" means, with respect to a Person, any other Person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by or is under common Control with such first Person (which, for the avoidance of doubt, with respect to Affiliates of Investor, includes the members of Investor, the Brookfield Group and their respective Affiliates); provided, however, that, with respect to Investor for purposes of the first sentence of Section 6.3(e), the second sentence of Section 6.3(d), the first sentence of Section 6.5, Section 6.11(e) and Section 10.13, only members of the Brookfield Group shall be considered Affiliates of the Investor.

"Affiliate Contract" means any Contract between any of the Group Companies, on the one hand, and any Affiliate of the Group Companies (other than any other Group Company), on the other hand.

"Affiliate Guidelines" has the meaning given in Section 4.21(a).

"After-Tax Cash Interest Payments" means, for any applicable period, the cash interest paid in such period with respect to any Debt (as defined in the A&R LLC Agreement) of the Company (excluding, for the avoidance of doubt, Debt of the Company's Subsidiaries) minus the amount Duke or its Affiliates (other than a Group Company) paid to the Company under the Tax Sharing Agreement with respect to such cash interest.

"Agreement" has the meaning given in the Preamble.

"Agreement Date" has the meaning given in the Preamble.

"Alternative Financing" has the meaning given in Section 6.11(d).

"AML Laws" has the meaning given in Section 4.20.

"Ancillary Agreements" means the agreements, instruments and certificates to be executed and delivered by a Party at or prior to the applicable Closing pursuant to Section 2.2(f)(iv).

"Anti-Corruption Laws" means any Laws concerning or relating to bribery or corruption imposed, administered or enforced by any Governmental Authority.

"Assets" means any and all direct and indirect interests in both tangible and intangible property, including all Permits, Real Property, Intellectual Property Rights and rights under Contracts.

"Balance Sheet Date" has the meaning given in Section 4.6(a).

"BAM" has the meaning given in the Recitals.

"BAM Equity Commitment Letter" has the meaning given in the Recitals.

"Base Company Equity Value" means thirty billion, four hundred fifty-six million, eight hundred fifty-two thousand, seven hundred ninety-one dollars and eighty-eight cents ($30,456,852,791.88).

"Brookfield Group" means Brookfield Super-Core Infrastructure Partners GP LLC and its direct and indirect Subsidiaries and controlled investment vehicles (excluding any portfolio company thereof).

"BSIP" has the meaning given in the Recitals.

"BSIP Equity Commitment Letter" has the meaning given in the Recitals.

"Burdensome Condition" means any requirement or condition (a) to enter into any agreement or undertaking that requires the holding of direct or indirect Equity Interests in the Company through proxy holders or in a voting trust, (b) to alter the governance arrangements with respect to the Group Companies in a manner that adversely affects or limits the governance rights of Investor in any material respect (other than as expressly provided by Section 6.8(g) of the A&R LLC Agreement), (c) to diminish in any material respect the scope of Investor's information rights with respect to the Group Companies (other than as expressly provided by Section 6.8(g) of the A&R LLC Agreement), (d) to propose, negotiate, commit to or effect, by consent decree, hold separate order or otherwise, the sale, divestiture or disposition of any assets or businesses of Investor or any of its Affiliates or, after the First Closing, the Group Companies, (e) otherwise to take or commit to take any actions that would reasonably be expected to materially and adversely (i) affect one or more of the businesses, product lines or assets of Investor or of Investor's Affiliates or, after the First Closing, the Group Companies, or (ii) limit the ability of Investor, any of its Subsidiaries or Investor's and such Subsidiaries' respective Affiliates or, after the First Closing, the Group Companies, to retain, one or more of their businesses, product lines or assets or (f) to commence or participate in any action, suit or other litigation proceeding (other than regulatory proceedings with respect to the Required Approvals).

"Business Day" means any day other than a Saturday, a Sunday, or a day on which banks in New York, New York are authorized or required by Law to be closed.

"Business Intellectual Property" means all Intellectual Property Rights used in, held for use in or necessary for the operation of the business of the Group Companies.

"CFIUS" means the Committee on Foreign Investment in the United States and each member agency thereof acting in such capacity.

"CFIUS Approval" means (a) written notification issued by CFIUS that it has determined that the issuance and sale of the Acquired Interests is not a "covered transaction" pursuant to the CFIUS Statute; (b) CFIUS has issued a written notice that it has concluded all action under the CFIUS Statute with respect to the issuance and sale of the Acquired Interests, and there are no unresolved national security concerns with respect to the issuance and sale of the Acquired Interests; or (c) if CFIUS shall have sent a report to the President of the United States requesting the President's decision with respect to the issuance and sale of the Acquired Interests, then either (i) the President shall have announced a decision not to take any action to suspend, prohibit or place any limitations on the issuance and sale of the Acquired Interests, or (ii) having received a

report from CFIUS requesting the President's decision, the time permitted by the CFIUS Statute for such action shall have expired without any such action being announced or taken.

"CFIUS Notice" has the meaning given in Section 6.3(b).

"CFIUS Statute" means Section 721 of the Defense Production Act of 1950 (50 U.S.C. §4565), and all rules and regulations thereunder, including those codified at 31 C.F.R Part 800.

"CFIUS Turndown" has the meaning given in Section 6.3(b).

"Charter Documents" means, with respect to any Person, all organizational documents and all shareholder agreements, member agreements or similar Contracts relating to the ownership or governance of such Person.

"Claim Notice" has the meaning given in Section 9.5.

"Closing" has the meaning given in Section 2.2(a).

"Closing Actions" has the meaning given in Section 2.2(f).

"Closing Date" means the date upon which a Closing occurs pursuant to Section 2.2.

"Closing Purchase Price" means the First Closing Purchase Price and the Subsequent Closing Purchase Price payable for the Subsequent Closing Acquired Interests acquired by Investor at a Subsequent Closing, individually or collectively, as applicable and as the context requires.

"Closing Purchase Price Adjustment Amount" means the First Closing Purchase Price Adjustment Amount or a Subsequent Closing Purchase Price Adjustment Amount, as applicable. Illustrative calculations of the Closing Purchase Price Adjustment Amounts are attached hereto as Exhibit B in the form made available to Investor by Representatives of Duke and Progress Energy on July 31, 2025 for demonstration purposes only. To the extent of any conflict between Exhibit B and the terms of this Agreement, this Agreement shall control.

"COBRA" has the meaning given in Section 4.13(c).

"Code" means the Internal Revenue Code of 1986 and any successor thereto.

"Commitment Letters" has the meaning given in Section 5.10(d).

"Company" has the meaning given in the Preamble.

"Company Counsel" has the meaning given in Section 10.13.

"Company Data" means all confidential data, information, and data compilations owned or otherwise controlled or Processed by the Group Companies, including Personal Data, to the extent Processed by the Group Companies or, with respect to data, information and data

compilations Processed in connection with the business or operations of the Group Companies, their Affiliates.

"Company Intellectual Property" means all Intellectual Property Rights owned or purported to be owned by any of the Group Companies or, with respect to Intellectual Property Rights exclusively used in connection with the business or operations of the Group Companies, their Affiliates.

"Company Membership Interests" has the meaning given in the Recitals.

"Company Privacy Policies" means any (a) external data protection, data usage, data privacy and security policies of the Group Companies or, to the extent applicable to the Group Companies, of their Affiliates and (b) contractual obligations of the Group Companies or, to the extent applicable to the Group Companies, of their Affiliates, relating to privacy, security, or the Processing of Personal Data.

"Confidentiality Agreement" means the Confidentiality Agreement, dated February 28, 2025, between Duke and Brookfield Infrastructure Group LLC.

"Contract" means any agreement, contract, lease, consensual obligation, promissory note, evidence of indebtedness, purchase order, letter of credit, license, promise or undertaking of any nature (whether written or oral and whether express or implied), including letters of intent, executed term sheets and similar evidences of an agreement in principle.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise. The term "Control" when used as a verb in the referenced clauses shall have a correlative meaning.

"Controlled Group Liabilities" means any and all Liabilities (a) under Title IV of ERISA, (b) under Section 302 or 4068(a) of ERISA, (c) under Section 412 or 4971 of the Code and (d) for violation of the continuation coverage requirements of Section 601 et seq. of ERISA and Section 4980B of the Code or the group health requirements of Sections 701 et seq. of ERISA and Sections 9801 et seq. of the Code.

"Data Breach" means any unauthorized Processing of Company Data or IT Systems, or any other data security incident, including any of the foregoing as may require notification to any Person or Governmental Authority under Privacy Laws.

"Data Processor" means a natural or legal Person, public authority, agency or other body that Processes Personal Data on behalf of or at the direction of a Group Company.

"Debt" means all (a) obligations of a Person for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money, including obligations of such Person evidenced by bonds, debentures, notes or similar instruments; (b) obligations of such Person to pay any deferred purchase price, including "earn-out" payments, post-closing true-up obligations, conditional sale obligations, obligations under any title retention agreement or similar contingent obligations; (c) obligations under commodity hedging arrangements, exchange rate contracts,

interest rate protection agreements or other hedging or derivatives arrangements, solely to the extent such obligations would have been considered indebtedness on the Reference Balance Sheet; (d) obligations to reimburse the issuer of any letter of credit, surety bond, performance bond or other guarantee of contractual performance, in each case to the extent drawn; (e) obligations of a Person under leases classified as capital or finance leases in its financial statements or required to be so classified in accordance with GAAP (prior to the implementation of ASC 842); (f) guarantees with respect to obligations of other Persons of the type referred to in clauses (a) through (e); (g) obligations of the type referred to in clauses (a) through (f) of other Persons secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any Lien on any property or asset of such Person, including in each case, the outstanding principal amount, any unpaid or accrued interest and any other payment obligations in respect thereof; and (h) any accrued interest, prepayment or similar penalties or premiums related to any of the foregoing. "Debt" does not include any (A) ordinary course intercompany obligations solely between or among the Group Companies to the extent eliminated in consolidation or (B) trade accounts payable of the Group Companies in favor of non-Affiliates that are incurred in the ordinary course of business and included in net working capital in accordance with GAAP.

"Debt Commitment Letters" has the meaning given in Section 5.10(d).

"Debt Financing" has the meaning given in Section 5.10(d).

"Debt Financing Agreements" has the meaning given in Section 6.11(a).

"Debt Financing Commitment Letters" has the meaning given in Section 5.10(d).

"Debt Financing Failure Event" has the meaning given in Section 6.11(b).

"Debt Financing Sources" shall mean the agents, arrangers, lenders, bookrunners and other entities (other than Investor or any of its Affiliates) that have committed to provide or arrange or otherwise entered into agreements in connection with all or any part of the Debt Financing or the Alternative Financing in connection with the Transactions, including the parties to any commitment letters, engagement letters, joinder agreements, indentures, note purchase agreements or credit agreements entered into in connection therewith, together with their respective Affiliates and their respective Affiliates' officers, directors, employees, controlling persons, agents and representatives and their respective successors and assigns.

"DEF" means Duke Energy Florida, LLC, a Florida limited liability company.

"Designated Tax Sharing Payment" has the meaning given in Section 6.2(e).

"Duke" has the meaning given in the Preamble.

"Duke Consolidated Group" means the "affiliated group" (as defined in Section 1504 of the Code) of which Duke is the common parent.

"Emergency Situation" means, with respect to the business of the Group Companies, any abnormal system condition or abnormal situation requiring immediate action to maintain system frequency or voltage or to prevent material loss of firm load, material equipment damage or

tripping of system elements that could materially and adversely affect reliability of an electric system or any other occurrence or condition that otherwise requires immediate action to prevent an immediate and material threat to the environment or safety of persons or the operational integrity of the Assets and business of the Group Companies or any other condition or occurrence requiring implementation of emergency procedures as defined by the applicable transmission grid operator or transmitting utility.

"Employee Benefit Plan" has the meaning given in Section 4.13(a).

"Environmental Claim" means any and all written or oral claims alleging potential Liability, administrative or judicial actions, suits, orders, liens or notices alleging Liability, notices of violation, investigations, complaints, requests for information relating to the Release or threatened Release of Hazardous Substances, proceedings, or other written or oral communication, whether criminal, civil or administrative based upon, alleging, asserting, or claiming any actual or potential (a) violation of, or Liability under, any Environmental Law, (b) violation of any Environmental Permit, or (c) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release of any Hazardous Substances at any location.

"Environmental Laws" means any and all Laws relating to pollution, the protection of the indoor or outdoor environment or natural resources (including all air, surface water, groundwater, soil vapor, stormwater or land, including land surface or subsurface, coastlines, sovereign submerged lands, flora and fauna and other natural resources), water use, historic or cultural resources, or human health and safety (to the extent related to exposure to harmful or deleterious substances), electric or magnetic fields, or relating to the processing, distribution, use, treatment, storage, disposal, Release or handling of, or exposure to Hazardous Substances.

"Environmental Permits" has the meaning given in Section 4.12(a).

"Equity Commitment Letters" has the meaning given in the Recitals.

"Equity Financing" has the meaning given in Section 6.11(f).

"Equity Interests" means (a) capital stock, partnership or membership interests or units (whether general or limited), or any other voting securities or interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of the assets of, the issuing entity, or (b) subscriptions, calls, warrants, options or commitments of any kind or character relating to, or entitling any Person or entity to acquire, or securities convertible into or exercisable or exchangeable for any of the foregoing.

"ERISA" has the meaning given in Section 4.13(a).

"ERISA Affiliate" means any trade or business (whether or not incorporated) that together with any of the Group Companies would be treated as a single employer within the meaning of Section 414 of the Code or Section 4001(b) of ERISA.

"Fee Letter" has the meaning set forth in Section 5.10(d).

"FERC" means the Federal Energy Regulatory Commission or any successor agency thereto.

"FERC Approval" has the meaning given in Section 6.3(a).

"Fifth Installment Acquired Interests" means a number of Company Membership Interests that will result in Investor owning the Fifth Installment Acquired Percentage of the Company Membership Interests.

"Fifth Installment Acquired Percentage" means the quotient of (a) the Fifth Installment Amount, divided by (b) the First Closing Price Per Percentage Interest.

"Fifth Installment Amount" means one billion dollars ($1,000,000,000.00).

"Final Longstop Date" means June 30, 2028.

"First Closing" means the first Closing under this Agreement.

"First Closing Acquired Interests" means a number of Company Membership Interests that will result in Investor owning the First Closing Acquired Percentage of the Company Membership Interests immediately following the consummation of the First Closing.

"First Closing Acquired Percentage" means the quotient of (a) the First Closing Purchase Price, divided by (b) the Adjusted Company Equity Value (expressed as a percentage and rounded to the nearest hundredth of a percentage point).

"First Closing Date" means the date upon which the First Closing occurs.

"First Closing Equity Financing" has the meaning given in the Recitals.

"First Closing Interest Adjustment Amount" means the sum of (a) the cumulative After-Tax Cash Interest Payments for the period from January 1, 2025 to the First Closing Date minus (b) Undeclared Dividends as of the First Closing Date; provided that, in any case, the First Closing Interest Adjustment Amount shall not be less than zero dollars ($0).

"First Closing Price Per Membership Interest" means the First Closing Purchase Price divided by the number of First Closing Acquired Interests.

"First Closing Price Per Percentage Interest" means the First Closing Purchase Price divided by the First Closing Acquired Percentage.

"First Closing Principal Adjustment Amount" means (a) the quotient of (i) the First Closing Interest Adjustment Amount divided by (ii) (x) one (1) minus (y) the First Closing Acquired Percentage (expressed as a decimal) minus (b) the First Closing Interest Adjustment Amount.

"First Closing Purchase Price" means two billion, eight hundred million dollars ($2,800,000,000.00).

"First Closing Purchase Price Adjustment Amount" means the product of (a) the sum of (i) the First Closing Interest Adjustment Amount plus (ii) the First Closing Principal Adjustment Amount, multiplied by (b) the First Closing Acquired Percentage.

"Fourth Installment Acquired Interests" means a number of Company Membership Interests that will result in Investor owning the Fourth Installment Acquired Percentage of the Company Membership Interests.

"Fourth Installment Acquired Percentage" means the quotient of (a) the Fourth Installment Amount, divided by (b) the First Closing Price Per Percentage Interest.

"Fourth Installment Amount" means one billion, five hundred million dollars ($1,500,000,000.00).

"FPA" means the Federal Power Act.

"FPSC" means the Florida Public Service Commission or any successor agency thereto.

"Fraud" means a Party's knowing and intentional misrepresentation with respect to the making of the representations and warranties set forth in Article III or Article IV (in the case of Duke or Progress Energy, as applicable) or Article V (in the case of Investor), as applicable, or in any Ancillary Agreement. For the avoidance of doubt, "Fraud" does not include equitable fraud, promissory fraud, unfair dealings fraud, constructive fraud or any claim based on constructive knowledge, negligent or reckless misrepresentation or any similar theory.

"Fundamental Representations" has the meaning given in Section 10.1(a).

"GAAP" means United States generally accepted accounting principles as in effect during the applicable periods.

"Good Utility Practice" means (a) any of the practices, methods and acts engaged in or approved by a significant portion of the electric industry operating in the United States during the relevant time period or (b) any of the practices, methods and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to optimum practices, methods or acts to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in the United States of the performance of such practice, method or act.

"Government Contract" means any Contract for the sale of supplies or services currently in performance or that has not been closed that is between any Group Company on one hand and a Governmental Authority on the other or entered into by a Group Company as a subcontractor at any tier in connection with a contract between another Person and a Governmental Authority.

"Government Official" means any officer or employee of a Governmental Authority, or any person acting in an official capacity for or on behalf of any such Governmental Authority, or any political party, party official, candidate for public office or political campaign.

"Governmental Approvals" means any authorization, approval, consent, license, ruling, permit, tariff, certification, exception, Order, variance, recognition, grant, confirmation, clearance, filing, declaration or registration (other than a Permit) from, of, or with any Governmental Authority.

"Governmental Authority" means any federal, national, regional, state, municipal or local government, district, or special district, any political subdivision or any governmental, judicial, public, administrative, Tax, regulatory, arbitral, statutory or other instrumentality, tribunal, court, agency, authority, body, commission or other quasi-governmental or regulatory bureau, authority, body or entity having jurisdiction over the matter or Person in question, including, as applicable, FERC, the FPSC, the NERC, SERC and the NRC.

"Group Companies" means the Company and its Subsidiaries.

"Group Return" has the meaning given in Section 6.2(c).

"Guarantee" has the meaning given in the Recitals.

"Hazardous Substances" means (a) any petrochemical or petroleum products, radioactive materials, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, per- or polyfluoroalkyl substances and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants" or "pollutants" or words of similar meaning and regulatory effect; or (c) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by, or for which standards of conduct or liability may be imposed under any applicable Environmental Law.

"Indemnified Group" has the meaning given in Section 9.1(a).

"Indemnified Losses" has the meaning given in Section 9.3(c).

"Indemnified Party" has the meaning given in Section 9.1(a).

"Indemnitor" has the meaning given in Section 9.1(a).

"Indemnity Cap" has the meaning give in Section 9.3(a).

"Indemnity Deductible" has the meaning given in Section 9.3(c).

"Information Security Program" means a commercially reasonable written information security program that complies with Privacy Laws and that includes: (a) policies and procedures regarding the Processing of Personal Data; (b) administrative, technical and physical safeguards to protect the security, confidentiality, and integrity of any Personal Data Processed by any Group Company; (c) requirements for protecting the security, confidentiality, and integrity of any Personal Data Processed by, and IT Systems operated by, any third party operating on behalf of or at the direction or for the benefit of any Group Company; (d) disaster recovery, business continuity, incident response, and security plans, procedures and facilities; and (e) protections

against Data Breaches, Malicious Code, and against loss, misuse or unauthorized access to and Processing of Company Data and IT Systems owned or controlled by the Group Companies.

"Installment Acquired Percentage" means the Second Installment Acquired Percentage, the Third Installment Acquired Percentage, the Fourth Installment Acquired Percentage and the Fifth Installment Acquired Percentage, individually or collectively, as applicable and as the context requires.

"Intellectual Property Rights" means all intellectual property and intellectual property or proprietary rights as they exist in any jurisdiction throughout the world, whether registered or unregistered, published or unpublished, including the following: (a) patents, patent applications and similar rights including provisionals, continuations, divisionals, continuations-in-part, reissues or reexaminations thereof; (b) trademarks, trade names, service marks, trade dress, and registrations and applications for registration thereof, Internet domain names, any other indicia of source or origin and the goodwill associated with any of the foregoing; (c) all works of authorship (whether or not copyrightable), copyrightable works, moral rights, and copyrights and registrations and applications for registration thereof; and (d) rights in processes, software, technology (whether or not embodied in any tangible form and including all tangible embodiments of the foregoing), and any confidential information, proprietary information and trade secrets (including customer lists or data or databases, business and marketing plans and marketing information).

"Intercompany Transactions" has the meaning given in Section 4.21(b).

"Investment Credit Interest Adjustment" means, for any Subsequent Closing, the aggregate After-Tax Cash Interest Payments with respect to the period beginning on the immediately preceding Closing Date and ending on the applicable Subsequent Closing Date.

"Investment Credit Principal Adjustment" means, for any Subsequent Closing, (a) the quotient of (i) the Investment Credit Interest Adjustment divided by (ii) (x) one (1) minus (y) the aggregate Acquired Interest immediately following such Subsequent Closing minus (b) the Investment Credit Interest Adjustment.

"Investor" has the meaning given in the Preamble.

"Investor Related Party" has the meaning given in Section 8.2(c).

"Investor Required Amount" has the meaning given in Section 5.10(a).

"Investor Required Approvals" has the meaning given in Section 5.4.

"Investor's Knowledge" means the actual knowledge, after inquiry of their respective direct reports, of each of the individuals set forth on Exhibit C; provided, however, that such individual(s) shall not have any personal Liability for any breach of any provision of this Agreement so qualified.

"IT Systems" means the hardware, software, firmware, middleware, information technology equipment, electronics, platforms, servers, workstations, routers, hubs, switches, interfaces, data communication lines, network and telecommunications equipment, websites and

Internet-related information technology infrastructure, wide area network and other data communications or information technology equipment, owned, leased by, used by, licensed to, or Processed in the conduct of the business of the Group Companies.

"Law" means any statute, law (including common law), ordinance, treaty, Order, rule or regulation of a Governmental Authority.

"Leased Real Property" means the real property leased, subleased, licensed or otherwise occupied by any of the Group Companies as lessee, sublessee, licensee or in another similar capacity, which is primarily used, held primarily for use in, or necessary for, the business of such Group Company.

"Liabilities" means any direct or indirect liability, indebtedness, obligation, guarantee, commitment, damage, penalty, fine, assessment, charge, loss, claim, demand or expense, whether accrued, unaccrued, absolute, contingent, asserted, unasserted, matured, unmatured, liquidated, unliquidated, known or unknown, secured or unsecured, of every kind and description, including all expenses related thereto.

"Lien" means any mortgage, deed of trust, pledge, lien (including any Tax lien), charge, claim, option, right of first refusal, equitable interest, security interest, third party right, assignment, hypothecation, license, encumbrance, easement, right of way, title, defect, encroachment, or other covenant, condition, agreement or arrangement that has the same or a similar effect to the granting of security or of any similar right of any kind (including any conditional sale or other title retention agreement).

"Longstop Date" means (a) with respect to the Second Installment Acquired Percentage, December 31, 2026, (b) with respect to the Third Installment Acquired Percentage, June 30, 2027, (c) with respect to the Fourth Installment Acquired Percentage, December 31, 2027 and (d) with respect to the Fifth Installment Acquired Percentage, the Final Longstop Date.

"Lookback Date" means January 1, 2022.

"Loss" means, with respect to a Person, the amount of (a) any loss, cost, expense, Tax, damage or liability, including interest, fines, reasonable legal and accounting fees and expenses of a Person including, with respect to an owner of Acquired Interests, any diminution in the value of such Acquired Interests (assuming a proportionate, dollar-for-dollar reduction in the value of the Acquired Interests based on the underlying reduction in value of the Group Companies and, for the avoidance of doubt, taking into account the percentage ownership of the Company of such owner (which, with respect to Investor, shall be deemed to be (i) from and after the First Closing, the First Closing Acquired Percentage and (ii) from and after a Subsequent Closing, the aggregate Acquired Percentage held by Investor at such time) and whether and when such Loss will actually be recovered through DEF's rates), reduced by (b) any amounts actually received by such Person as a result of any recovery, settlement, or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other Person in connection with the circumstances giving rise to such Loss. If Investor issues a Claim Notice prior to one or more Subsequent Closings, and such Subsequent Closings thereafter occurs, the

aggregate Acquired Percentage held by Investor at the time the subject matter of the Claim Notice is resolved shall apply to the calculation of such Loss.

"Malicious Code" means any "back door," "drop dead device," "time bomb," "Trojan horse," "virus," "ransomware," or "worm" (as such terms are commonly understood in the software industry) or any other code or mechanism designed or intended to have, or capable of performing, any of the following functions: (a) disrupting, disabling, harming, interfering with or otherwise impeding in any manner the operation of, or providing access to, a computer system or network or other device on which such code is stored or installed, in each case without authorization; or (b) damaging or destroying any data or file without the user's consent. For the avoidance of doubt, none of the following are Malicious Code: (i) code that enables a third party licensor or service provider to disable, prevent access to, or delete software or data in accordance with the terms of the applicable Contract, and (ii) code that disables access to software or an IT System for security purposes, such as the use of incorrect passwords or other security tokens.

"Material Adverse Effect" means any condition, circumstance, development, event, effect or change that, individually or in the aggregate with any other such conditions, circumstances, events or changes, (a) with respect to Duke, Progress Energy or the Company, has had or would reasonably be expected to have a material adverse effect on the ability of such Person to consummate the Transactions (as applicable) or to perform its obligations under the Transaction Documents and (b) with respect to the Group Companies, has had or would reasonably be expected to have a material adverse effect on the business, assets, financial condition or results of operations of the Group Companies, taken as a whole; provided, however, that with respect to the foregoing clause (b) only, a Material Adverse Effect shall not include any such condition, circumstance, development, event, effect or change or resulting from, relating to or arising out of (i) changes in economic or financial market conditions generally or in the industries in which the Group Companies operate, whether international, national or regional, (ii) changes in international, national, regional or state wholesale or retail markets (including market description or pricing) for energy, electricity, capacity, fuel supply or ancillary services, including those due to actions by competitors, (iii) changes in general regulatory or political conditions, including any acts of war, civil unrest or terrorist activities (or similar activities), (iv) changes in international, national, regional or state electric transmission or distribution systems, including the operation or condition thereof, (v) any changes in the market price of commodities, including fuel and other consumables, or changes in the price of energy, capacity or ancillary services, (vi) effects of weather or meteorological events, including climate change, (vii) changes or adverse conditions in the securities markets, including those relating to debt financing, interest rates or currency exchange rates, (viii) any change in Law or GAAP or regulatory policy adopted or approved by any Governmental Authority, (ix) the announcement, execution or delivery of this Agreement or the consummation of the Transactions (except that this clause (ix) shall not apply with respect to the representations or warranties in Section 3.4, Section 3.5 or Section 4.2 or, to the extent related thereto, the closing condition in Section 7.2(a)), (x) any actions specifically required to be taken or consented to by Investor in accordance with this Agreement, (xi) natural disasters or "acts of God" or other "force majeure" events, including pandemics (including the COVID-19 pandemic) or any escalation or worsening thereof or (xii) strikes, work stoppages or other labor disturbances; provided that the items set forth in clauses (i) through (viii) and clause (xi) above shall be taken into account in determining whether a Material Adverse Effect has occurred or would be reasonably expected to occur to the extent such items have a disproportionate effect on the Group

Companies taken as a whole relative to other participants in the industry and markets in which the Group Companies conduct their respective business.

"Material Contract" means (a) any Contract to which any of the Group Companies is a party, or by the terms of which any of the Group Companies or the Assets of any of the Group Companies may be bound (including Contracts to which Duke, Progress Energy, any of the Group Companies or any of their respective Affiliates is a party and for which any of the Group Companies currently benefits, or to which it contributes, pursuant to intercompany agreements, whether documented or not), as to which the expected total cost of performing such Contract by the applicable Group Company or Group Companies or the total revenue expected to be received under such Contract by the applicable Group Company or Group Companies in the ordinary course exceeds twenty-five million dollars ($25,000,000) per annum or one hundred million dollars ($100,000,000) over the life of the Contract, (b) any Contract to which any of the Group Companies is a party or by which it is bound that provides for non-monetary obligations on the part of any of the Group Companies, the non-performance of which obligations would reasonably be expected to materially and adversely affect the Group Companies, taken as a whole, (c) any Affiliate Contract, (d) any Contract to which any of the Group Companies is a party or by which it is bound (i) containing exclusivity agreements with any material contractor, manufacturer, utility or supplier binding on any Group Company, (ii) containing covenants limiting the ability of any Group Company to engage in any line of business or to compete with any Person or in any geographic area, that are material to the Group Companies, taken as a whole, (iii) granting any Person a preferential or other right (including requirements or take-or-pay, "most favored nation clause" or similar rights) to purchase or license (other than with respect to Intellectual Property Rights) any material Assets or any Equity Interests of the Group Companies, (iv) that is a joint venture or joint ownership agreement, (v) that is (A) with any Governmental Authority that provides for payments to any of the Group Companies that exceeds ten million dollars ($10,000,000) per annum, excluding tariff Contracts, and (B) is material to the Group Companies, taken as a whole, or (vi) that involves any resolution or settlement against any Group Company of any actual or threatened Action or Proceeding with a value in excess of twenty-five million dollars ($25,000,000) or that provides for any injunctive or other non-monetary relief, (e) any Contract that limits or restricts or would, by its express terms, otherwise adversely affect the ability of any of the Group Companies to pay dividends or distributions, (f) any Contract (I) for which the primary subject is (aa) the licensing of Intellectual Property Rights that are material to the Group Companies taken as a whole by any Group Company (whether as licensee or licensor, other than nonexclusive licenses of Intellectual Property Rights granted or obtained in the ordinary course of business), or (bb) the ownership, development, or use of any Intellectual Property Rights that are material to the Group Companies taken as a whole (other than Intellectual Property Rights assignment agreements entered into with employees and independent contractors in the ordinary course of business), or (II) affecting any Group Company's ability to use or enforce any Intellectual Property Rights that are material to the Group Companies taken as a whole (including covenant-not-to-sue, coexistence, concurrent use, or settlement agreements) and (g) any amendments or supplements to any of the foregoing; provided that the foregoing (other than clause (a) with respect to Property Contracts relating to Leased Real Property) shall exclude Property Contracts.

"Maximum Acquired Percentage" means an amount equal to (a) the First Closing Acquired Percentage plus (b) the quotient of (x) three billion, two hundred million dollars ($3,200,000,000)

divided by (y) the First Closing Price Per Percentage Interest; provided that in no event shall the Maximum Acquired Percentage exceed nineteen and seven-tenths percent (19.7%).

"MBR Authority" means a final order issued by FERC under Section 205 of the FPA (a) granting authorization to make sales of electric energy, capacity and certain ancillary services at wholesale at negotiated, market based rates, (b) accepting for filing a tariff providing for such sales, and (c) granting such regulatory waivers and blanket authorizations as are customarily granted by FERC to persons authorized to sell electric energy, capacity and certain ancillary services at negotiated market based rates, including blanket authorization to issue securities and assume liabilities under Section 204 of the FPA and FERC's regulations at 18 C.F.R. Part 34.

"Minimum Acquired Percentage" means the quotient of (a) two hundred million dollars ($200,000,000), divided by (b) the First Closing Price Per Percentage Interest.

"NERC" means the North American Electric Reliability Corporation or any successor entity thereto.

"Normalization Rules" has the meaning given in Section 4.11(c).

"NRC" means the Nuclear Regulatory Commission or any successor agency thereto.

"NRC Approval" means either (i) receipt of the NRC Consent, or (ii) receipt of the Threshold Determination.

"NRC Consent" has the meaning given in Section 6.3(c).

"Order" means any legally binding award, consent, order, injunction, judgment, decree, order, ruling, subpoena, verdict or other decision (other than a Permit) issued, promulgated or entered by or with any Governmental Authority or arbitrator of competent jurisdiction, applicable to a Party or its business or properties, or the Transactions.

"Owned Real Property" means all real property owned in fee by any of the Group Companies which is primarily used, held primarily for use in, or necessary for, the business of such Group Company.

"Party" or "Parties" has the meaning given in the Preamble.

"Permit" means all licenses, permits, certificates of authority, exemptions, variances, authorizations, approvals, conditions of certification, certifications, agreements, registrations, franchises and similar consents granted by a Governmental Authority in connection with the ownership or operation of the business of the Group Companies.

"Permitted Real Property Liens" means, with respect to the Real Property and any interests therein, (a) all Liens for Taxes, assessments, both general and special, and other governmental charges that are not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with applicable Law and GAAP, (b) all Liens for mechanics', materialmen's, workmen's, repairmen's, warehousemen's, carriers' and similar Liens that are not yet due and payable or that are being

contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with applicable Law and GAAP, (c) all building codes, entitlement and zoning ordinances, land use, environmental and other applicable Laws heretofore, now or hereafter enacted, made or issued, in each case, that do not materially impair the current occupancy or use of the Real Property for its intended purpose, (d) all rights with respect to the ownership, mining, extraction and removal of oil, gas or minerals of whatever kind and character (including any rights to gravel, hard rock aggregate, or water extraction) that have been excepted or reserved prior to the Agreement Date in the public records, (e) with respect to the Real Property, (i) those exceptions to title set forth in any title policies of the Group Companies with respect to the Real Property that have been made available to Investor, (ii) any matters that are disclosed by the surveys of the Real Property that have been made available to Investor, and (iii) any covenants, conditions, restrictions, easements, rights of way, servitudes, encroachments, permits, licenses, leases, and similar matters of record affecting title to the Real Property (including any restrictions or limitations relating to land use or environmental matters) that have been filed in the public records, which in each case of clauses (i)–(iii), do not materially impair the current occupancy or use of the Real Property to which they relate, (f) rights of parties in possession of any such Real Property without options to purchase or rights of first refusal to purchase or lease such Real Property with respect to such Real Property that do not materially impair the current occupancy or use thereof and (g) Liens that affect the underlying fee interest of any Leased Real Property.

"Person" means any individual, sole proprietorship, company, corporation, partnership, joint venture, limited liability partnership, limited liability company, trust, association (whether incorporated or unincorporated), institution, Governmental Authority or any other entity.

"Personal Data" means information identifying, relating to, describing, or reasonably capable of being associated with, or could reasonably be linked, directly or indirectly with, an identified or identifiable person, device, or household or any other information that constitutes "personal data," "personal information," "protected health information," "nonpublic personal information," or other similar terms as defined by applicable Privacy Laws.

"Prior Indemnity Payments" has the meaning given in Section 9.3(c).

"Privacy Laws" means (a) each Law relating to privacy, security or security breach notification requirements or the protection or Processing of Personal Data that is applicable to any Company or any of their Affiliates, including if and as applicable, the Federal Trade Commission Act, 15 U.S.C. § 45; the CAN-SPAM Act of 2003, 15 U.S.C. § 7701, et seq.; the Telephone Consumer Protection Act, 47 U.S.C. § 227; the Fair Credit Reporting Act, 15 U.S.C. § 1681; the Gramm-Leach-Bliley Act, 15 U.S.C. § 6801, et seq.; the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-22; the Stored Communications Act, 18 U.S.C. §§ 2701-12; the California Consumer Privacy Act, Cal. Civ. Code § 1798.100, et seq.; California Online Privacy Protection Act, Cal. Bus. & Prof. Code § 22575, et seq.; the New York Department of Financial Services Cybersecurity Regulation, 23 NYCRR § 500; and the South Carolina Privacy of Consumer Financial and Health Information Regulation, South Carolina Code § 69-58; Massachusetts Gen. Law Ch. 93H, 201 C.M.R. 17.00; Nev. Rev. Stat. 603A; Cal. Civ. Code § 1798.82; N.Y. Gen. Bus. Law § 899-aa, et seq.; Laws requiring notification to any Person or Governmental Authority in the event of a Data Breach; and all implementing regulations and requirements, and other similar Laws; and (b) each applicable rule, code of conduct, or other requirement of self-regulatory bodies

and applicable industry standards to which the Group Companies are bound or purport to comply with.

"Proceeding" has the meaning given in Section 10.9(b).

"Processing", "Process" or "Processed", with respect to data, means any collection, access, acquisition, storage, protection, use, recording, maintenance, operation, dissemination, re-use, disposal, disclosure, re-disclosure, destruction, transfer, modification, or any other processing.

"Progress Energy" has the meaning given in the Preamble.

"Progress Energy Representations" has the meaning given in Section 10.1(c).

"Progress Energy Required Approvals" has the meaning given in Section 3.4.

"Progress Energy Required Consents" has the meaning given in Section 3.4.

"Progress Energy's Knowledge" means the actual knowledge, after inquiry of their respective direct reports, of each of the individuals set forth on Schedule 1.1(b); provided, however, that such individual(s) shall not have any personal Liability for any breach of any provision of this Agreement so qualified.

"Projections" has the meaning given in Section 10.1(c).

"Property Contracts" means any Contracts to which any of the Group Companies is a party relating to the leasing or ownership of the Real Property.

"PUHCA" means the Public Utility Holding Company Act of 2005.

"Purchase Price" means six billion dollars ($6,000,000,000.00).

"PURPA" means the Public Utility Regulatory Policies Act of 1978.

"Real Property" means the Leased Real Property together with the Owned Real Property.

"Reference Balance Sheet" means the consolidated balance sheet of DEF, dated as of December 31, 2024, contained in DEF's Annual Report on Form 10-K for the year ended December 31, 2024.

"Related Proceeding" has the meaning given in Section 10.9(d).

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, releasing, migrating, dumping or disposing of a Hazardous Substance to the environment.

"Representatives" means each Party's respective officers, directors, members, partners, limited partners, managers, employees, representatives, agents, attorneys, accountants or advisors.

"Required Approvals" has the meaning given in Section 5.4.

"Reverse Termination Fee" means an amount equal to two hundred forty million dollars ($240,000,000).

"Sanctioned Country" has the meaning given in the definition of "Sanctioned Person."

"Sanctioned Person" means, at any time:

(a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or any other relevant sanctions authority;

(b) any Person operating, organized or resident in a country or territory which is the subject or target of any Sanctions (at the Agreement Date, the Crimea, Cuba, Iran, North Korea, Syria, the so-called Luhansk People's Republic, and the so-called Donetsk People's Republic regions of Ukraine, and the non-government controlled areas of Ukraine in the oblasts of Kherson and Zaporizhzhia) (each of the foregoing, a "Sanctioned Country");

(c) any Person directly or indirectly owned fifty percent (50%) or more or controlled by any such Person or Persons described in the foregoing clauses (a) or (b); or

(d) any Person otherwise the subject of any Sanctions.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any applicable Governmental Authority.

"SEC" has the meaning given in Section 4.6(a).

"SEC Reports" has the meaning given in Section 4.6(a).

"Second Installment Acquired Interests" means a number of Company Membership Interests that will result in Investor owning the Second Installment Acquired Percentage of the Company Membership Interests.

"Second Installment Acquired Percentage" means the quotient of (a) the Second Installment Amount, divided by (b) the First Closing Price Per Percentage Interest.

"Second Installment Amount" means two hundred million dollars ($200,000,000.00).

"Securities Act" has the meaning given in Section 5.12.

"SERC" means the SERC Reliability Corporation or any successor entity thereto.

"Subsequent Closing" means a Closing occurring after the First Closing.

"Subsequent Closing Acquired Interests" means the number of Company Membership Interests to be acquired by Investor at a Subsequent Closing as set forth in the applicable Subsequent Closing Notice.

"Subsequent Closing Acquired Percentage" means the quotient of (a) the Subsequent Closing Purchase Price, divided by (b) the First Closing Price Per Percentage Interest.

"Subsequent Closing Date" has the meaning given in Section 2.2(c).

"Subsequent Closing End Date" has the meaning given in Section 2.2(e).

"Subsequent Closing Equity Financing" has the meaning given in the Recitals.

"Subsequent Closing Investor Required Amount" has the meaning given in Section 5.10(b).

"Subsequent Closing Notice" has the meaning given in Section 2.2(c).

"Subsequent Closing Purchase Price" has the meaning given in Section 2.1(b).

"Subsequent Closing Purchase Price Adjustment Amount" means, for each Subsequent Closing, the product of (a) the aggregate Acquired Percentage immediately prior to the applicable Subsequent Closing and (b) the sum of (i) the Investment Credit Interest Adjustment and (ii) the Investment Credit Principal Adjustment.

"Subsidiary" means, with respect to any Person, any Person (other than a natural person) of which such first Person (either alone or through any other Subsidiary) owns, directly or indirectly, fifty percent (50%) or more of the stock or other equity voting or controlling interests, the holders of which are generally entitled to vote for the election of the board of directors or other governing body of such other Person.

"Survival Period" has the meaning given in Section 10.1(a).

"Tax" or "Taxes" means (i) all taxes, including all charges, fees, duties, levies or other assessments in the nature of taxes, imposed by any Governmental Authority, including income, gross receipts, excise, property, sales, gain, use, license, transfer, environmental, production, custom duty, unemployment, corporation, capital stock, transfer, franchise, payroll, withholding, social security, minimum, estimated, ad valorem, profit, gift, severance, value added, disability, recapture, occupancy, retaliatory or reciprocal, credit, occupation, leasing, employment, stamp, goods and services, utility and other taxes, including any interest, penalties or additions attributable thereto and (ii) any liability of any Group Company for the payment of amounts, and any reduction in amounts payable to any Group Company, determined by reference to amounts in clause (i) pursuant to the Tax Sharing Agreement.

"Tax Credits" means any tax credits under Section 48, 45, 48E or 45Y of the Code.

"Tax Proceeding" has the meaning given in Section 6.2(f).

"Tax Representations" means the representations and warranties of Progress Energy set forth in Section 4.11.

"Tax Returns" means any return, declaration, report, claim for refund, form, or information return or statement relating to Taxes, including any such document prepared or required to be prepared on a consolidated, combined or unitary basis, and also including any schedule or attachment thereto, and including any amendment thereof.

"Tax Sharing Agreement" means that certain Fifth Amended Agreement for Filing Consolidated Income Tax Returns and for Allocation of Consolidated Income Tax, dated as of December 31, 2024, by and between Duke and its Subsidiaries (including DEF), as the same may be amended.

"Termination Date" has the meaning given in Section 8.1(b).

"Third Installment Acquired Interests" means a number of Company Membership Interests that will result in Investor owning the Third Installment Acquired Percentage of the Company Membership Interests immediately following the consummation of the applicable Subsequent Closing.

"Third Installment Acquired Percentage" means the quotient of (a) the Third Installment Amount, divided by (b) the First Closing Price Per Percentage Interest.

"Third Installment Amount" means five hundred million dollars ($500,000,000.00).

"Third-Party Claim" has the meaning given in Section 9.6(a).

"Threshold Determination" has the meaning given in Section 6.3(c).

"Transaction Documents" means, collectively, this Agreement, the Ancillary Agreements, the A&R LLC Agreement, the Guarantee, the Equity Commitment Letters, the Debt Financing Commitment Letters and all other agreements between the Parties or their Affiliates entered into pursuant to the terms hereof in order to carry out the Closing Actions and the Transactions.

"Transactions" means the issuance and sale of the Acquired Interests by the Company to Investor and the purchase thereof by Investor from the Company and the other transactions contemplated by this Agreement and the other Transaction Documents.

"Transfer Taxes" means any and all transfer Taxes (excluding Taxes measured in whole or in part by net income, receipts, revenue or similar measures), including sales, use, excise, goods and services, stock, conveyance, registration, business and occupation, securities transactions, real estate, land transfer, stamp, documentary, notarial, filing, recording, permit, license, authorization and similar Taxes, fees, duties, levies, customs, tariffs, imposts, assessments, obligations and charges.

"Treasury Regulations" means the regulations promulgated under the Code.

"Undeclared Dividends" means, as of the First Closing Date, the aggregate sum of the distributions from the Company to Progress Energy that (a) are permitted under Schedule 6.1(J) to be declared and distributed in or prior to the calendar quarter in which the First Closing Date occurs (prorated for the number of days elapsed in the quarter in which the First Closing occurs) and (b)

have not been distributed on or prior to the First Closing Date. For example, if the First Closing occurs on January 15, 2026, and no distributions shall have been made from and after the Agreement Date, Undeclared Dividends shall be $175 million, which is the sum of $150 million plus $25 million.

"U.S." means United States of America.

"Willful Breach" means, with respect to any representation, warranty, agreement or covenant in this Agreement, a material breach caused by an intentional act or intentional omission (including an intentional failure to act to cure a breach) taken by a Party, where that Party knows that such intentional action or intentional omission would constitute a material breach of this Agreement.

ARTICLE II

SUMMARY OF TRANSACTIONS

Section 2.1 Sale and Purchase of the Acquired Interests.

(a) Sale and Purchase. Upon the terms and subject to the conditions hereof:

(i) at the First Closing, (A) the Company shall issue and sell to Investor the First Closing Acquired Interests, (B) Investor shall purchase and acquire from the Company the First Closing Acquired Interests, and (C) the Parties shall take or cause to be taken the Closing Actions applicable to the First Closing; and

(ii) at any Subsequent Closing, (A) the Company shall issue and sell to Investor the number of Subsequent Closing Acquired Interests to be acquired by Investor pursuant to the applicable Subsequent Closing Notice, (B) Investor shall purchase and acquire from the Company such Subsequent Closing Acquired Interests, and (C) the Parties shall take or cause to be taken the Closing Actions applicable to the Subsequent Closing.

(b) Purchase Price. The aggregate purchase price for the First Closing Acquired Interests and the Subsequent Closing Acquired Interests, collectively, is the Purchase Price. The purchase price for (i) the First Closing Acquired Interests, is the First Closing Purchase Price and (ii) any Subsequent Closing Acquired Interests, is the First Closing Price Per Membership Interest multiplied by the number of Subsequent Closing Acquired Interests to be acquired by Investor at the applicable Subsequent Closing (the "Subsequent Closing Purchase Price"). At the applicable Closing, Investor shall pay the applicable Closing Purchase Price to the Company by wire transfer of immediately available funds to the account or accounts that the Company shall designate to Investor prior to the applicable Closing Date.

Section 2.2 Closings.

(a) Time of Closings. The consummation of the Transactions to be completed at each Closing Date (each, a "Closing") shall take place remotely via the electronic exchange of executed documents at 10:00 a.m. (Eastern Time) (i) with respect to the First Closing, on the tenth (10th) Business Day immediately following the date on which the conditions to the First Closing

set forth in Article VII have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the First Closing, but subject to the satisfaction or waiver of such conditions), or at such other time, date and place as the Parties may mutually agree in writing and (ii) with respect to each Subsequent Closing, on the date set forth in the applicable Subsequent Closing Notice and on which date the conditions to the applicable Subsequent Closing set forth in Article VII have been satisfied or waived (other than those conditions that by their nature are to be satisfied at such applicable Subsequent Closing, but subject to the satisfaction or waiver of such conditions), or at such other time, date and place as the Parties may mutually agree in writing. Notwithstanding anything to the contrary in Section 8.1(b), if the conditions to the First Closing set forth in Article VII (other than those conditions that by their nature are to be satisfied at such First Closing, but subject to the satisfaction or waiver of such conditions) have been satisfied or waived on a date that is prior to the Termination Date but the First Closing Date would occur after the Termination Date, the Termination Date shall be automatically extended such that it occurs on the day immediately following the ten (10) Business Day period described in the preceding sentence.

(b) First Closing Certificate. With respect to the First Closing, no later than five (5) Business Days following the date on which the conditions to the First Closing set forth in Article VII have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the First Closing, but subject to the satisfaction or waiver of such conditions), the Company shall deliver a certificate to Investor setting forth (i) the amount of First Closing Purchase Price Adjustment Amount including supporting calculations of each of the components thereof and (ii) a good faith calculation of the First Closing Acquired Percentage for such First Closing including supporting calculations of any Additional Capital Investment. The Company shall consider in good faith and incorporate all mutually-agreed comments, if any, submitted by Investor with respect to the calculations described in the foregoing clauses (i) and (ii).

(c) Subsequent Closing Notice. In any calendar quarter following the First Closing Date, Investor may deliver a written notice (the "Subsequent Closing Notice") to Progress Energy electing to consummate a Subsequent Closing on the last Business Day of such calendar quarter (each, a "Subsequent Closing Date"). The Subsequent Closing Notice must be delivered at least fifteen (15) Business Days prior to the applicable Subsequent Closing Date and shall state (i) the number of Subsequent Closing Acquired Interests and corresponding Subsequent Closing Acquired Percentage to be acquired by Investor at such Subsequent Closing; provided that the Subsequent Closing Acquired Percentage set forth in the Subsequent Closing Notice shall not (A) be less than the Minimum Acquired Percentage or (B) cause Investor's aggregate Acquired Percentage (after giving effect to the Subsequent Closing to which the Subsequent Closing Notice relates) to exceed the Maximum Acquired Percentage and (ii) the Subsequent Closing Purchase Price payable for the Subsequent Closing Acquired Interests to be acquired by Investor at such Subsequent Closing. If (x) Investor has not acquired at least the applicable Installment Acquired Percentage on or before the corresponding Longstop Date and (y) Investor has not delivered a Subsequent Closing Notice to acquire the remaining applicable Installment Acquired Percentage at a Subsequent Closing Date occurring on or before the corresponding Longstop Date, then Investor shall be deemed to have timely delivered a Subsequent Closing Notice to acquire the remaining applicable Installment Acquired Percentage and the Subsequent Closing Date for the acquisition of such remaining Installment Acquired Percentage shall be the applicable Longstop Date.

(d) Subsequent Closing Certificates. No later than five (5) Business Days after Investor delivers (or is deemed to have delivered) a Subsequent Closing Notice to Progress Energy, the Company shall deliver a certificate to Investor (i) confirming that all applicable closing conditions set forth in Section 7.2 with the respect to the applicable Subsequent Closing have been satisfied or waived (other than those conditions that by their nature are to be satisfied at such Subsequent Closing, but subject to the satisfaction or waiver of such conditions), and (ii) setting forth the amount of the Subsequent Closing Purchase Price Adjustment Amount applicable to such Subsequent Closing.

(e) Subsequent Closing Conditions. With respect to any Subsequent Closing, if any applicable closing condition set forth in Section 7.1 or Section 7.2 is not satisfied or waived on or prior to the Subsequent Closing Date, the Subsequent Closing shall not be consummated and any remaining Installment Acquired Percentage that would have been acquired at such Subsequent Closing shall ratably increase the amount of the Installment Acquired Percentage to be acquired by the next Longstop Date; provided, that with respect to the Subsequent Closing occurring on the Final Longstop Date, such Subsequent Closing shall be extended to the date on which such closing conditions have been satisfied or waived (other than those conditions that by their nature are to be satisfied at such Subsequent Closing, but subject to the satisfaction or waiver of such conditions); provided, further that if such Subsequent Closing has not occurred, with respect to Investor, on or prior to September 30, 2028 (such date, the "Subsequent Closing End Date") or, with respect to Progress Energy, December 31, 2028, then Investor or Progress Energy may elect, upon written notice to the other Party, not to proceed with such Subsequent Closing, and from and after the date of such notice, Investor, Duke, the Company and Progress Energy shall have no further obligations under this Article II with respect to such Subsequent Closing or any remaining Installment Acquired Percentage, including with respect to the payment of the portion of the Closing Purchase Price that otherwise would have been payable at such Subsequent Closing, and Investor shall not be obligated to acquire such number of Subsequent Closing Acquired Interests that otherwise would have been acquired at such Subsequent Closing; provided, further, that the foregoing right of Investor or Progress Energy, as applicable, to elect not to proceed with such Subsequent Closing under Section 2.2(e) shall not be available to any Party whose breach of a representation, warranty, covenant or agreement under this Agreement has been the primary cause of the failure of the Subsequent Closing to occur on or before such date. Notwithstanding anything to the contrary herein, upon the consummation of the closing of the Put Sale (as defined in the A&R LLC Agreement), Investor shall have no further rights or obligations under this Agreement with respect to any Subsequent Closing, including with respect to the payment of the Purchase Price in respect thereof, and Investor shall not be obligated to acquire any remaining Acquired Interests.

(f) Closing Actions. At the applicable Closing, Progress Energy, the Company and Investor (as applicable) shall take or cause to be taken the following actions (the "Closing Actions"):

(i) Payment of Closing Purchase Price. Investor shall pay the applicable Closing Purchase Price (minus the applicable Closing Purchase Price Adjustment Amount, if any) to the Company, in accordance with the terms set forth in Section 2.1.

(ii) Issuance of Acquired Interests. The Company shall issue to Investor the applicable Acquired Interests registered in the name of Investor, and, unless Investor has requested otherwise at least five (5) Business Days prior to the applicable Closing, with certificates for such Acquired Interests in the name of Investor, and the Company shall reflect such issuance to Investor in the books and records of the Company.

(iii) A&R LLC Agreement. At the First Closing, Progress Energy and the Company shall execute and deliver to Investor, and Investor shall execute and deliver to Progress Energy and the Company, the A&R LLC Agreement.

(iv) Officers Certificates. (A) Progress Energy shall deliver to Investor a certificate executed by a duly authorized officer of Progress Energy certifying that (1) with respect to the First Closing, the conditions set forth in Section 7.2(a) and Section 7.2(b) have been satisfied and (2) with respect to the applicable Subsequent Closing, the conditions set forth in Section 7.2(a), Section 7.2(b) and Section 7.2(c) have been satisfied and (B) Investor shall deliver to Progress Energy a certificate executed by a duly authorized officer of Investor certifying that with respect to the applicable Closing, the conditions set forth in Section 7.3(a) and Section 7.3(b) have been satisfied.

(v) Growth Commitment ECL. At the First Closing, Investor shall deliver to Progress Energy and the Company an equity commitment letter substantially in the form attached hereto as Exhibit D executed by BSIP and Investor.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF DUKE AND PROGRESS ENERGY

Except as specifically disclosed in the schedules to this Agreement (each section of which qualifies the correspondingly numbered representation and warranty to the extent specified therein and such other representations and warranties to the extent a matter in such section is disclosed in such a way as to make its relevance to such other representation or warranty reasonably apparent), Duke, with respect to the representations as to Duke set forth in Sections 3.1 through 3.5, and Progress Energy, with respect to the representations as to Progress Energy, each represent and warrant to Investor as of the Agreement Date and as of each Closing Date as follows:

Section 3.1 Organization. Duke has been duly organized or created, is validly existing and is in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of the State of Delaware. Progress Energy has been duly organized or created, is validly existing and is in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of the State of North Carolina. Duke and Progress Energy are qualified to do business in all jurisdictions where the failure to qualify would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Duke or Progress Energy, as applicable.

Section 3.2 Authority and Power. Each of Duke, Progress Energy and the Company has the requisite power and authority to enter into each of the Transaction Documents to which it is a party, consummate each of the transactions and undertakings contemplated thereby, and

perform all of the terms and conditions thereof to be performed by Duke, Progress Energy or the Company, as applicable. The execution, delivery and performance of each of the Transaction Documents to which Duke, Progress Energy or the Company, as applicable, is a party and the consummation of each of the transactions and undertakings contemplated thereby have been duly authorized by all requisite action on the part of Duke, Progress Energy or the Company, as applicable, under its Charter Documents.

Section 3.3 Valid and Binding Obligations. Each of the Transaction Documents to which Duke, Progress Energy or the Company, as applicable, is a party has been duly and validly executed and delivered by Duke, Progress Energy or the Company, as applicable, and, assuming the due and valid execution and delivery of the Transaction Documents by the other parties thereto, is enforceable against Duke, Progress Energy or the Company, as applicable, in accordance with the terms thereof, except as such enforceability may be limited or denied by (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights and the enforcement of debtors' obligations generally and (b) general principles of equity, regardless of whether enforcement is pursuant to a proceeding in equity or at law.

Section 3.4 Approvals and Consents. Except for (a) those third-party consents listed on Schedule 3.4(a) (the "Progress Energy Required Consents"), (b) FERC Approval and filings related thereto, (c) NRC Approval and filings related thereto, (d) CFIUS Approval and filings related thereto (clauses (b) through (d), the "Progress Energy Required Approvals"), and (e) such other filings, consents or approvals which, if not made or obtained, would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, none of Duke, Progress Energy or any Group Company is required to give any notice, make any filing, or obtain any third-party consent or approval (including Governmental Approvals) to execute, deliver or perform any of the Transaction Documents to which it is a party or to consummate the transactions contemplated thereby.

Section 3.5 No Violations. The execution, delivery and performance by Duke, Progress Energy or the Company, as applicable, of each of the Transaction Documents to which it is a party does not, and the consummation of the transactions contemplated thereby will not: (a) violate the Charter Documents of Duke, Progress Energy or the Company; (b) subject to obtaining the Progress Energy Required Consents, violate or be in conflict with, or constitute a breach or default (or any event that, with or without due notice or lapse of time, or both, would constitute a default) under, any Contract to which Duke, Progress Energy or the Company is a party or by which any of Duke's, Progress Energy's or the Group Companies' properties or Assets are or may be bound (including Contracts to which Duke, Progress Energy, any of the Group Companies or any of their respective Affiliates is a party and for which any of the Group Companies currently benefits, or to which it contributes, pursuant to intercompany agreements, whether documented or not); (c) subject to obtaining the Progress Energy Required Approvals, violate any Law or Order applicable to Duke, Progress Energy or the Company; or (d) result in the creation or imposition of any Lien on the Acquired Interests or any Assets of any Group Company, other than, with respect to clauses (b)–(d), any such conflicts, violations, defaults or imposition of Liens that would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.6 No Litigation. There is no Action or Proceeding pending to which Progress Energy is a party (and, to Progress Energy's Knowledge, there is no Action or Proceeding

threatened in writing or orally against Progress Energy), in any such case at law or in equity, that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.7 Equity Interests.

(a) Schedule 3.7(a) accurately sets forth the ownership structure of the Group Companies as of the Agreement Date and as of immediately prior to the First Closing. Except as set forth on Schedule 3.7(a), none of the Group Companies own any Equity Interests of any other Person as of the Agreement Date and as of immediately prior to the First Closing. As of the Agreement Date and as of immediately prior to the First Closing, Progress Energy and each of the Group Companies owns, holds of record and is the beneficial owner of the Equity Interests shown as being owned by it on Schedule 3.7(a) free and clear of all Liens, restrictions on transfer or other encumbrances except as set forth on Schedule 3.7(a).

(b) No Persons other than Progress Energy (and Investor pursuant to the Transaction Documents) own or have any interest in, or option or other right (contingent or otherwise), including any right of first refusal or right of first offer, to acquire the Equity Interests of any of the Group Companies other than, after the First Closing, pursuant to Contracts to which Investor or any of its Affiliates is a party, including the A&R LLC Agreement. Except pursuant to the Transaction Documents or as set forth on Schedule 3.7(b), or, after the First Closing, pursuant to Contracts to which Investor or any of its Affiliates is a party, including the A&R LLC Agreement, there is no (i) voting trust or agreement, membership agreement, pledge agreement, buy-sell agreement, right of first refusal, preemptive right, stock appreciation right, phantom equity right, profit participation right, option, warrant, or other equity or equity-based right, redemption or repurchase right, anti-dilutive right or proxy relating to (or convertible into, exchangeable for, or measured by reference to) the Equity Interests of any of the Group Companies, (ii) Contract restricting the transfer of, or requiring the registration for sale of, the Equity Interests of any of the Group Companies, or (iii) option, warrant, call, right or other Contract to issue, deliver, grant, convert, exchange, sell, subscribe for, purchase, redeem or acquire any of the Equity Interests of any of the Group Companies or agreement to enter into any Contract with respect thereto. As of the Agreement Date and as of immediately prior to the First Closing, none of the Group Companies has any obligation to make any payments to any Person that are calculated by reference to an Equity Interest of any Group Company or the value of any Group Company.

(c) Upon consummation of the issuance and sale of the applicable Acquired Interests by the Company to Investor, Investor will hold good and valid title to such Acquired Interests free and clear of any and all Liens other than those created pursuant to Contracts to which Investor or any of its Affiliates is a party. After giving effect to the applicable Transactions, the applicable Acquired Interests will constitute the applicable Acquired Percentage of the issued and outstanding Company Membership Interests.

Section 3.8 Brokers. Neither Progress Energy nor its Affiliates has any Liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the Transactions for which Investor or any Group Company could become liable or obligated.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PROGRESS ENERGY REGARDING THE GROUP COMPANIES

Except as specifically disclosed in the schedules to this Agreement (each section of which qualifies the correspondingly numbered representation and warranty to the extent specified therein and such other representations and warranties to the extent a matter in such section is disclosed in such a way as to make its relevance to such other representation or warranty reasonably apparent), Progress Energy represents and warrants to Investor with respect to the Group Companies as of the Agreement Date and each Closing Date as follows:

Section 4.1 Organization of the Group Companies. Each Group Company has been duly organized or created, is validly existing and is in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of the respective jurisdictions of their formation or creation. Each Group Company is qualified to do business in all jurisdictions where the failure to qualify would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 4.2 No Violations. Assuming that all filings, consents and approvals set forth on Schedule 4.2, if any, have been timely made or obtained, as applicable, the consummation of the Transactions does not and will not: (a) violate any Charter Document of any of the Group Companies; (b) violate or be in conflict with, or constitute a material default (or any event that, with or without due notice or lapse of time, or both, would constitute a material default) under, or cause or permit the acceleration of the maturity of, or give rise to any right of termination, cancellation, imposition of fees or penalties under, any Permit or any Material Contract to which any of the Group Companies is a party; (c) violate any Law, Privacy Law, Company Privacy Policy, or Order applicable to any of the Group Companies; or (d) result in the creation or imposition of any Lien on any of the Assets of any of the Group Companies, other than, with respect to clauses (b)–(d), any such conflicts, violations, defaults or imposition of Liens that would not be reasonably likely to be, individually or in the aggregate, material to the Group Companies taken as a whole.

Section 4.3 Compliance with Laws. Since the Lookback Date: (a) each of the Group Companies has been in compliance with all applicable Laws; (b) no notice, charge, claim, action or assertion has been filed, commenced or threatened in writing, or to Progress Energy's Knowledge orally, against any of the Group Companies alleging any noncompliance or violation of any applicable Law; (c) to Progress Energy's Knowledge, no investigation with respect to any material noncompliance or violation of any applicable Law by a Group Company has been commenced; d) to Progress Energy's Knowledge, no other investigation with respect to any noncompliance or violation of any applicable Law by a Group Company has been commenced and remains unresolved; and (e) none of the Group Companies has admitted to, or been found by a Governmental Authority to have engaged in any violation of any applicable Laws or been debarred from bidding for any contract or business, and to Progress Energy's Knowledge, there are no circumstances which are likely to give rise to any such notice, charge, claim, action, assertion, investigation, admission, finding or debarment, except, in each case, as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 4.4 Permits.

(a) Each of the Group Companies currently holds in full force and effect and is in compliance with all Permits (other than Environmental Permits) as are necessary for each of the Group Companies to carry on its business, except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Neither Progress Energy nor, to Progress Energy's Knowledge, any of the Group Companies has received any written notice (i) of noncompliance or default with respect to any Permit or (ii) of the revocation, termination, or material modification of any Permit (other than Environmental Permits), except, in each case, as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 4.5 Litigation. There is no Action or Proceeding to which any of the Group Companies is a party or involving the Assets of any of the Group Companies (and there is no Action or Proceeding threatened in writing, or to Progress Energy's Knowledge threatened orally, against any of the Group Companies or involving the Assets of any of the Group Companies), which would, if adversely determined, reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There is no unsatisfied judgment, penalty or award against any of the Group Companies or affecting the Assets of any of the Group Companies, except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 4.6 SEC Reports; Financial Statements; Debt and Utility Filings and Reports.

(a) Since the Lookback Date, DEF has timely filed or furnished with the SEC all forms, reports, schedules, statements and other documents required to be filed or furnished under the United States Securities Exchange Act of 1934 (such forms, reports, schedules, statements and other documents filed or furnished with the United States Securities and Exchange Commission (the "SEC") since the Lookback Date, the "SEC Reports"), including (i) its Annual Report on Form 10-K for the year ended December 31, 2024, and (ii) its Quarterly Report on Form 10-Q for the period ended March 31, 2025 (the "Balance Sheet Date").

(b) The financial statements of DEF included in the SEC Reports (including the notes thereto) (i) have been prepared in accordance with GAAP, except as may be otherwise specified in such financial statements or the notes thereto, (ii) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto and (iii) except that unaudited financial statements may not contain all footnotes required by GAAP, fairly present in all material respects the financial position of DEF and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal year-end audit adjustments. The Group Companies' system of internal controls over financial reporting is sufficient in all material respects to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP.

(c) There has been no material written correspondence between the SEC and DEF since the Lookback Date that is not set forth in the SEC Reports or that has not otherwise

been disclosed to Investor prior to the Agreement Date. As of the Agreement Date, there are no outstanding or unresolved comments in comment letters received from the SEC staff with respect to the SEC Reports. To Progress Energy's Knowledge, as of the Agreement Date, none of the SEC Reports is the subject of ongoing SEC review. To Progress Energy's Knowledge, as of the Agreement Date, there are no SEC inquiries or investigations, other governmental inquiries or investigations or internal investigations pending or threatened, in each case, regarding any accounting practice of the Group Companies.

(d) Since the Balance Sheet Date, none of the Group Companies has incurred any Liabilities that would be required by GAAP, applied on a basis consistent with the Reference Balance Sheet, to be set forth on a consolidated balance sheet or notes thereto of the Company or DEF, except for Liabilities incurred (i) in the ordinary course of business (none of which is a liability for breach of contract, tort or a claim or lawsuit or an environmental liability), (ii) as set forth on Schedule 4.6(d) or (iii) as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect. None of the Group Companies is a party to, or has any commitment to become a party to, any off balance sheet arrangement, including any "off balance sheet arrangement" (as defined in Item 303(a) of Regulation S-K promulgated by the SEC).

(e) Schedule 4.6(e) lists, as of the Agreement Date, all Debt of the Group Companies along with the outstanding balance of each such obligation or instrument set forth on Schedule 4.6(e) as of the Balance Sheet Date.

(f) Schedule 4.6(f) lists, as of the Agreement Date, all (i) guarantees by a Group Company of any Liabilities of Duke, Progress Energy or any of its Affiliates (other than Liabilities of the Group Companies) and (ii) Debt of Duke, Progress Energy or any of its Affiliates (other than the Group Companies) secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any Lien on any property or asset of a Group Company.

(g) All filings (other than immaterial filings) required to be made by any Group Company under PUHCA, the FPA, or the Communications Act of 1934 (in each case, including all regulations promulgated thereunder) have been filed with the SEC, SERC, NRC, FERC, FPSC, NERC or the Department of Energy, as applicable, including all forms, statements, reports, agreements (oral or written) and all documents, exhibits, amendments and supplements appertaining thereto, including all rates, tariffs, franchises, service agreements and related documents and all such filings complied, as of their respective dates, with all applicable requirements of the applicable statute and the rules and regulations thereunder, in each case, except for filings the failure of which to make or make in compliance with applicable Law would not be reasonably expected to be, individually or in the aggregate, material to the Group Companies, taken as a whole.

Section 4.7 Absence of Certain Changes. Since the Balance Sheet Date (a) the business of the Group Companies has been conducted in all material respects in the ordinary course of business consistent with past practice, (b) prior to the Agreement Date, there has not occurred any change in the business of the Group Companies that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Group Companies and

(c) none of the following has occurred nor has any Group Company or Progress Energy agreed to do so:

(i) as of the Agreement Date, any matter, action or omission that would violate, or require consent under, clauses (C), (D), (E), (G), (H) or (K) of Section 6.1(a) if such action was taken after the date hereof;

(ii) as of the Agreement Date, any material and uninsured loss, damage, destruction, condemnation or other casualty of any material Asset of any Group Company;

(iii) as of the Agreement Date, any material change in any method of accounting or accounting practice or policy of any Group Company, other than such changes required by GAAP and set forth in Schedule 4.7(c);

(iv) as of the Agreement Date, any incurrence of Debt of any of the Group Companies that would increase the Debt of the Group Companies to an amount that exceeds the outstanding principal amount (or accreted amount, as applicable) of the Debt disclosed on Schedule 4.6(e); and

(v) as of the Agreement Date, the declaration or payment by any of the Group Companies of any dividend or distribution to the holders of any Equity Interests in such Group Company (other than to another Group Company).

Section 4.8 Contracts.

(a) Except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, (i) none of the Group Companies nor, to Progress Energy's Knowledge, any counterparty to a Material Contract is in default of any obligation of a Material Contract and (ii) each of the Material Contracts is in full force and effect, is enforceable against, and constitutes a legal, valid, binding and enforceable obligation of the Group Company party thereto, and, to Progress Energy's Knowledge, of the other parties thereto.

(b) Schedule 4.8(b) sets forth a true and complete listing of each Material Contract as of the Agreement Date.

Section 4.9 Government Contracts. Since the Lookback Date, no Group Company has (a) materially breached or violated any Law, certification, representation, clause, provision or requirement pertaining to any Government Contract; (b) been suspended or debarred from bidding on government contracts by a Governmental Authority; (c) been investigated by any Governmental Authority with respect to any Government Contract; (d) conducted or initiated any internal investigation or made any material disclosure with respect to any alleged or potential irregularity, misstatement or omission arising under or relating to a Government Contract; (e) received from any Governmental Authority or any other Person any material written notice of breach, cure, show cause or default with respect to any Government Contract; (f) had any Government Contract terminated by any Governmental Authority or any other Person for default or failure to perform; (g) received any small business set-aside contract, any other set aside contract or other order or contract requiring small business or other preferred bidder status or (h) entered any Government Contracts payable on a cost-reimbursement basis. The Group Companies have established and

maintain adequate internal controls for compliance with its Government Contracts including without limitation any domestic or qualifying country sourcing requirements. All invoices and claims for payment, reimbursement or adjustment submitted by any Group Company since the Lookback Date were current, accurate and correct complete in all material respects as of their respective submission dates. There are no material outstanding claims or disputes with any Governmental Authority in connection with Group Companies' Government Contracts. To Progress Energy's Knowledge, there are no outstanding or unsettled allegations of fraud, false claims or overpayments nor any investigations or audits by any Governmental Authority with regard to any Group Company's Government Contracts.

Section 4.10 Real Property Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) each Group Company (i) has good and valid title to the Owned Real Property owned by it, (ii) has a good and valid leasehold interest in the Leased Real Property, as applicable, in each case free and clear of all Liens other than Permitted Real Property Liens and (iii) holds a valid easement, right-of-way or interest (excluding the Leased Real Property) to all real property-related rights necessary for the operation of the business of such Group Company, as applicable, (b) the interests of the Group Companies in the Real Property are not subject to or encumbered by any purchase option, right of first refusal or other contractual right or obligation to sell, assign or dispose of such interests in any Real Property and (c) each Property Contract is in full force and effect and constitutes a legal, valid, binding and enforceable obligation of the Group Company party thereto except as such enforceability may be limited or denied by (i) applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights and the enforcement of debtors' obligations generally and (ii) general principles of equity, regardless of whether enforcement is pursuant to a proceeding in equity or at law. No right to use or occupy any other real property other than the Owned Real Property and the Leased Real Property is required for the operation of the business of the Group Companies as conducted on the Agreement Date, except as would not be reasonably expected to be, individually or in the aggregate, material to the Group Companies, taken as a whole. None of the Group Companies is in default in any material respect under any Property Contract and no fact, event or condition exists which with or without notice, the passage of time or both would constitute a default in any material respect by any Group Company under any Property Contract, in each case, except as would not be reasonably likely to be, individually or in the aggregate, material to the Group Companies, taken as a whole.

Section 4.11 Tax Matters.

(a) Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) all Tax Returns required to be filed by or with respect to the Group Companies have been timely filed (taking into account extensions), all such Tax Returns are correct and complete and all Taxes required to be paid by the Group Companies (whether or not shown as due on such Tax Returns) have been timely paid, (ii) there are no audits, claims or assessments regarding Taxes pending or, to Progress Energy's Knowledge, threatened against the Group Companies, (iii) no issue has been raised by a Governmental Authority in any prior examination of a Tax Return filed by or on behalf of, but solely to the extent attributable to, any Group Company which, by application of the same or similar principles, could reasonably be expected to result in a proposed deficiency for any subsequent taxable period, (iv) none of the Group Companies has been subject to any claim made in writing by any Governmental Authority

in a jurisdiction where such Company does not file a particular type of Tax Return or has not paid any particular type of Tax to the effect that such Company is required to file such Tax Return or pay such type of Tax in that jurisdiction, (v) all deficiencies asserted or assessments made as a result of any examination of the Tax Returns filed by or on behalf of, but solely to the extent attributable to, any Group Company have been paid in full or otherwise finally resolved, (vi) there are no liens for Taxes upon the assets of the Group Companies except liens relating to current Taxes not yet due and payable, (vii) all Taxes which the Group Companies are required by Law to withhold or to collect for payment have been duly withheld and paid to the appropriate Governmental Authority, (viii) other than ordinary course extensions of time for filing Tax Returns, no waiver of any statute of limitations relating to Taxes for which the Group Companies may be liable is in effect, and no written request for such a waiver is outstanding and no extension of time has been agreed to with respect to a Tax assessment or deficiency, (ix) the charges, accruals and reserves for Taxes with respect to the Group Companies reflected on the books of the Group Companies (excluding any provision for deferred income Taxes) are adequate to cover Tax liabilities accruing through the end of the last period for which the Group Companies recorded items on their respective books, and since the end of the last period for which the Group Companies recorded items on their respective books, the Group Companies have not incurred any Tax liability, engaged in any transaction, or taken any other action, other than in the ordinary course of business, (x) there are no Tax rulings, requests for rulings or closing agreements with any Governmental Authority relating to Taxes for which any Group Company may be liable that could affect any Group Company's liability for Taxes for any taxable period (or portion thereof) after the applicable Closing, (xi) none of the Group Companies is a party to or bound by any Tax allocation, sharing or indemnity agreements or arrangements other than the Tax Sharing Agreement or commercial agreements or arrangements entered into in the ordinary course of business not primarily related to Taxes, (xii) other than the consolidated group of which Duke is the common parent, none of the Group Companies has ever been a member of a consolidated group filing for federal or state income Tax purposes, (xiii) none of the Group Companies has engaged in any "reportable transaction" within the meaning of Treasury Regulations Sections 1.6011-4(b) (with the exception of a "loss transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(5)), as defined in Section 6707A(c)(1) of the Code (or analogous provision of state or local law), (xiv) none of the Group Companies will be required to include any material item of income or gain, or exclude any material deduction or loss, in the computation of taxable income for any taxable period or portion thereof ending after the applicable Closing Date as a result of (i) any installment sale or open transaction disposition on or prior to the applicable Closing Date, (ii) any prepaid amount received or deferred revenue accrued outside of the ordinary course of business on or prior to the applicable Closing Date, or (iii) any change in or improper use of any method of Tax accounting, any closing agreement, or any intercompany transaction made or entered into on or prior to the applicable Closing Date, (xv) none of the Group Companies will incur any Taxes after the applicable Closing Date as a result of an election under Section 965 of the Code made on or prior to the applicable Closing Date, and (xvi) the Group Companies have complied with all requirements imposed on them under applicable Law with respect to any Tax Credits (including the wage and apprenticeship requirements, the domestic content adder requirements (if applicable), and the energy community adder requirements (if applicable), in each case, with respect to the applicable Tax Credit) claimed by them on a Tax Return or with respect to projects placed in service by them prior to the Closing Date and, to Progress Energy's Knowledge, there is no pending claim by a Governmental Authority or a counterparty to a Material Contract with respect

to any loss, disallowance, recapture or reduction of any such Tax Credits and (xvii) the Group Companies have not entered into any partnership flip, lease pass-through or sale leaseback transaction that is intended to monetize Tax Credits.

(b) The Company (i) is, and has been since February 19, 2025, properly treated as an association taxable as a corporation, (ii) from August 1, 2015 to February 19, 2025, was properly disregarded as separate from Progress Energy for U.S. federal (and applicable state and local) income tax purposes and (iii) for all times prior to August 1, 2015 during which Duke owned the equity interests of Progress Energy, was (or its predecessor was) properly treated as an association taxable as a corporation.

(c) The Group Companies are and always have been in compliance with the normalization rules described in Section 168(i)(9) of the Code and 50(d)(2) of the Code, any other applicable provisions of the Code or the treasury regulations promulgated thereunder with respect to any public utility property and any other tax normalization rules or regulations under the Law ("Normalization Rules"), and to Progress Energy's Knowledge none of the Group Companies has received any public or non-public notice, claim, Action or Proceeding or inquiry with respect to a violation of the Normalization Rules by any Governmental Authority.

(d) Notwithstanding anything to the contrary in this Agreement, the representations and warranties in Section 4.6, Section 4.7(c)(i) (to the extent specifically related to Taxes), Section 4.13 and this Section 4.11 are Progress Energy's sole and exclusive representations and warranties with respect to all matters relating to Taxes of or with respect to the Group Companies or any of their respective assets.

Section 4.12 Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) Since the Lookback Date, the Group Companies have been in compliance with all applicable Environmental Laws, which compliance includes the possession of all Permits required under Environmental Laws to own and operate their Assets and conduct their operations ("Environmental Permits"), and compliance with the terms and conditions thereof;

(b) Each Environmental Permit is in full force and effect, and neither Progress Energy nor, to Progress Energy's Knowledge, any of the Group Companies, has received any written notice (i) of noncompliance or default with respect to any Environmental Permit or (ii) of the revocation, termination or material modification of any Environmental Permit;

(c) None of the Group Companies is subject to any pending or, to Progress Energy's Knowledge, threatened Environmental Claim, and since the Lookback Date, the Group Companies have not received any written notice of any violation of or liability under Environmental Laws;

(d) None of the Group Companies is subject to any Order pursuant to Environmental Laws or to any settlement of an Environmental Claim under which any Group Company has outstanding obligations;

(e) There have been no Releases of Hazardous Substances on, at, under or migrating from (i) any of the real property currently or formerly owned or operated by any of the Companies or their predecessors, or (ii) to Progress Energy's Knowledge, any real property on which any Hazardous Substances generated by any of the Group Companies or their predecessors has come to be located, that has resulted or would reasonably be expected to result in Liability for any of the Group Companies; and

(f) Progress Energy and the Group Companies have made available to Investor all material environmental reports and studies in the possession of Progress Energy and the Group Companies prepared since the Lookback Date regarding any non-compliance with or violation by the Group Companies with Environmental Law and the potential liability of the Group Companies in connection with the Release of Hazardous Substances.

Notwithstanding anything to the contrary in this Agreement, the representations and warranties in this Section 4.12 and in Sections 4.6 through 4.8 are Progress Energy's sole and exclusive representations and warranties with respect to Environmental Laws, Environmental Permits and any Liabilities arising under or with respect to any of the foregoing.

Section 4.13 Employees and Employee Benefit Plans; Labor.

(a) Schedule 4.13(a) sets forth a complete and accurate list of each Employee Benefit Plan maintained exclusively or primarily for the benefit of current or former employees of the Group Companies as of the Agreement Date. Each plan, program, policy, agreement or other arrangement providing for or regarding compensation or benefits, including any employment, consulting, profit-sharing, deferred compensation, incentive, bonus, performance award, equity or equity-based, change in control, retention, severance, welfare, retirement, including any "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974 ("ERISA") or other employee benefits (i) which is sponsored, maintained, contributed to or required to be contributed to by any Group Company or any other entity that together with any Group Company would be treated as a single employer under Section 4001(b) of ERISA or Section 414 of the Code for the benefit of any current or former employee of any Group Company or any direct or indirect majority-owned Subsidiary thereof, (ii) with respect to which any of the Group Companies has any Liability or (iii) in which employees of any of the Group Companies participate (each an "Employee Benefit Plan"): (i) if intended to be "qualified" within the meaning of Section 401(a) of the Code, has received a current favorable determination letter from the Internal Revenue Service as to its qualification and, to Progress Energy's Knowledge, no event has occurred that could reasonably be expected to adversely affect or result in disqualification of such Employee Benefit Plan; and (ii) has been established, operated, funded and administered in all material respects in accordance with its terms and all applicable laws, including ERISA and the Code.

(b) There are no pending or, to Progress Energy's Knowledge, threatened material Action or Proceeding or claims by or on behalf of or otherwise involving any Employee Benefit Plan (other than routine claims for benefits).

(c) Except as would not reasonably be expected to result in Liability to any of the Group Companies, none of the Group Companies nor any ERISA Affiliate (i) has incurred any

Liability under Title IV of ERISA or is reasonably expected to incur such Liability, (ii) has failed to timely pay premiums to the Pension Benefit Guaranty Corporation, (iii) has engaged in any transaction which could reasonably be expected to give rise to Liability under Section 4069 or Section 4212(c) of ERISA, or (iv) has violated Part 6 of Subtitle B of Title I of ERISA or Section 4980B of the Code ("COBRA"). None of the Group Companies contribute to or have any Liability with respect to any "multiemployer plan" within the meaning of Section 3(37) of ERISA. None of the Group Companies have incurred Taxes under Chapter 43 of the Code that remain unsatisfied or participated in any multiple employer welfare arrangement (within the meaning of Section 3(40)(A) of ERISA).

(d) Except as set forth on Schedule 4.13(d), none of the Group Companies or any Employee Benefit Plan provides or has an obligation to provide (or otherwise has committed that it would provide) welfare benefits to any current or former employee of the Companies (or dependent thereof) following such termination of employment, other than as required by COBRA or similar state law.

(e) Neither the execution and delivery of this Agreement nor the consummation of the Transactions, whether alone or together with any other event, could reasonably be expected to (i) entitle any current or former officer, director, employee, or individual independent contractor of any Group Company or any direct or indirect majority-owned Subsidiary thereof to any compensation or other benefit (or any increase any compensation or other benefits), (ii) accelerate the time of payment, funding or vesting, or increase the amount, of compensation or benefits due any such individual, (iii) increase the amount payable or result in any other material obligation pursuant to any Employee Benefit Plan, (iv) limit or restrict the right of any Group Company to merge, amend, or terminate any Employee Benefit Plan, or (v) result in the payment of any amount (whether in cash, property, or the vesting of property) that could (individually or in combination with any other such payment) constitute an "excess parachute payment" within the meaning of Section 280G(b)(1) of the Code or result in the imposition on any person of any excise tax under Section 4999 of the Code.

(f) Each Employee Benefit Plan that constitutes in any part a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code has been operated, maintained, and administered in material compliance with the requirements of Section 409A of the Code and the regulations thereunder.

(g) No Group Company has any obligation to provide (and no Employee Benefit Plan or other agreement provides) any individual with the right to a gross-up, indemnification, reimbursement, or other payment for any Taxes incurred pursuant to Section 409A of the Code or Section 4999 of the Code.

(h) None of the Group Companies are a party to, nor bound by, any labor agreement, collective bargaining agreement or any other labor-related agreements or arrangements with any labor union or other employee representative and no such agreements are currently being negotiated; and no employees of any Group Company are represented by any labor union or other employee representative with respect to their employment with any Group Company. To Progress Energy's Knowledge, there have been no material strikes, walkouts, slowdowns, pickets, lockouts or other material labor disputes at or affecting the operations of any of the Group Companies since

the Lookback Date. There are no pending, and to Progress Energy's Knowledge, since the Lookback Date, there have been no threatened, attempts to unionize any employees of any Group Company.

(i) Except as would not reasonably be expected to be, individually or in the aggregate, material to the Group Companies, (i) the Group Companies have complied, in all material respects, with all Laws, Contracts and Orders relating to labor, employment and employment practices, including, without limitation, all Laws concerning equal employment opportunity, leaves and absences, work authorization, wages, hours, classification of employees (both as exempt/non-exempt and as contractor/employee), hiring practices, terms and conditions of employment, discrimination, work breaks, wage payment, employment record keeping, labor relations, collective bargaining, immigration, occupational safety and health, privacy, harassment, retaliation, wrongful discharge, or the payment of social security or similar Taxes, each with respect to any past or present employee or applicant of any Group Company, (ii) none of the Group Companies are engaged, and none has ever been engaged, in any unfair labor practice of any nature, and (iii) since the Lookback Date, there are and have been no Actions or Proceedings of any kind pending or, Progress Energy's Knowledge, threatened against any Group Company related to any employment or other labor-related matter. There are no material sums owing from any Group Company to any employee, contractor or consultant of a Group Company, or former employee, contractor or consultant of a Group Company for any services or amounts required to be reimbursed or otherwise paid, other than reimbursement of expenses and accrued salary, wages, or fee payments for the current fee or payroll period or any other arrearages that are de minimis in nature and occurring in the ordinary course of business.

(j) To Progress Energy's Knowledge, all Group Company employees are legally authorized to work in the location where assigned.

(k) To Progress Energy's Knowledge, the Group Companies have promptly and reasonably investigated all allegations of sexual harassment, or other harassment, discrimination, retaliation or any material policy violation allegations against officers, directors, partners, employees, contractors or agents of any Group Company that have been reported in a manner consistent with its then-policies to the applicable Group Company since the Lookback Date or of which the Group Companies are otherwise aware. With respect to each such allegation (except those the applicable Group Company reasonably deemed to not have merit), the applicable Group Company has taken corrective action reasonably calculated to prevent further improper action. The Group Companies do not reasonably anticipate material liabilities arising out of any such allegations.

Section 4.14 Sufficiency of Assets; Liens.

(a) After giving effect to the Progress Energy Required Consents and the Progress Energy Required Approvals, (i) the Assets and other rights owned by the Group Companies or leased, licensed or used by the Group Companies under Contracts with Persons other than Duke, Progress Energy or its Affiliates, together with (ii) the Contractual rights of the Group Companies under the Affiliate Contracts, constitute all of the rights, Contracts, properties and Assets that are necessary and sufficient to conduct the business of the Group Companies in all material respects on the terms and in the manner conducted on the Agreement Date and the First

Closing Date (provided that the foregoing is not a representation or warranty with respect to infringement, misappropriation or any other violation of Intellectual Property Rights (which is addressed in Section 4.16(a)), and Duke, Progress Energy and its Affiliates (other than the Group Companies) have no right, title or interest in any Assets, services, properties or Contractual rights used by, or for the benefit of the Group Companies, in each case in any material respect, except for any Assets, services, properties and Contractual rights made available to the Group Companies pursuant to the Affiliate Contracts.

(b) In the aggregate, the tangible Assets owned, leased or licensed by or otherwise made available to the Group Companies are in reasonably good repair and operating condition (subject to normal wear and tear and maintenance and repair requirements in the ordinary course of business) and are adequate and suitable for the purposes for which they are presently being used, in each case in all material respects.

(c) Except as would not reasonably be likely to have, individually or in the aggregate, a Material Adverse Effect and except for Permitted Real Property Liens, as applicable, the Assets and properties of the Group Companies are owned, leased or licensed by or otherwise made available to the Group Companies, free and clear of all Liens.

Section 4.15 Brokers. None of the Group Companies has any Liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the Transactions.

Section 4.16 Intellectual Property.

(a) Except as would not be material to the Group Companies or the business or operations of the Group Companies, since the Lookback Date, none of the Group Companies, or with respect to the business or operations of the Group Companies, their Affiliates, has received any written charge, complaint, claim, demand, or notice alleging any infringement, misappropriation, or violation of the Intellectual Property Rights of any Person (including unsolicited offers, demands, or requests to license or cease and desist letters). To Progress Energy's Knowledge, no Person is infringing, misappropriating, or otherwise violating, or has, since the Lookback Date, infringed, misappropriated, or otherwise violated, any Company Intellectual Property, except as would not be material to the Group Companies or the business or operations of the Group Companies. Except as would not be material to the Group Companies or the business or operations of the Group Companies, since the Lookback Date, to Progress Energy's Knowledge, the Group Companies have not infringed, misappropriated, or violated any Intellectual Property Rights of any other Person.

(b) All Company Intellectual Property is valid, subsisting, and, to Progress Energy's Knowledge, enforceable. One of the Group Companies or its Affiliates owns and possesses, all right, title and interest in and to all Company Intellectual Property, and has a valid and enforceable written license to use all other Business Intellectual Property, free and clear of all Liens (other than non-exclusive licenses of Intellectual Property). The Group Companies have taken commercially reasonable steps to protect and preserve all material Company Intellectual Property and the secrecy and confidentiality of all trade secrets included therein, including source code. No open source software that is used in any material proprietary software is used in a manner that would require disclosure or distribution of any source code.

Section 4.17 Regulatory Status.

(a) DEF is (i) a "public utility" under the FPA and (ii) an "electric utility" and a "public utility" under the laws of the State of Florida. DEF is subject to regulation by the FPSC and FERC.

(b) DEF has MBR Authority within and outside of peninsular Florida as set forth in its MBR tariff on file in FERC Docket No. ER22-1424-000. On December 7, 2023, FERC issued an Order on Updated Market Power Analysis, Instituting Section 206 Proceeding, and Establishing Refund Effective Date in FERC Docket No. ER10-1333-017, et al., to examine whether DEF and its Affiliates have market power in the Florida Municipal Power Pool balancing authority area. Other than the Section 206 Proceeding, to Progress Energy's Knowledge, there is not any threatened, in writing or orally, Action or Proceeding which could prevent the exercising and effectiveness of its MBR Authority in any balancing area authority.

(c) DEF is (i) a "holding company" under PUHCA by virtue of its indirect ownership of a small power production qualifying facility (as defined in PURPA) and (ii) is not regulated as a public utility by any state other than the State of Florida. The Company derives no more than thirteen percent (13%) of its "public utility company" (as defined in PUHCA) revenues, calculated pursuant to 18 C.F.R. § 366.3(c)(1), from outside the state of Florida.

(d) Duke, on behalf of DEF, has registered with NERC as a Balancing Authority, Distribution Provider, Generator Owner, Generator Operator, Resource Planner, Transmission Owner, Transmission Operator and Transmission Planner. DEF has a compliance program and is, and has been since the Lookback Date, in compliance with all applicable reliability standards of NERC and SERC, in each case, except as would not reasonably expected to be, individually or in the aggregate, material to the Group Companies, taken as a whole. None of Duke, with respect to the Group Companies, or DEF is the subject of any audit or investigation (formal or informal) by FERC, FPSC, NERC or SERC that would reasonably be expected to result in costs or penalties material to the Group Companies, taken as a whole.

Section 4.18 Anti-Corruption; Anti-Bribery; Sanctions. The Group Companies have implemented and maintain in effect policies and procedures designed to ensure compliance in all material respects by them and their respective Representatives with all Anti-Corruption Laws and applicable Sanctions, and each of the Group Companies and their respective officers and directors and, to Progress Energy's Knowledge, their respective employees and other Representatives are, and have been since the Lookback Date, in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and, to Progress Energy's Knowledge, are not engaged in any activity that would reasonably be expected to result in any of the Group Companies being designated as a Sanctioned Person. None of the Group Companies or any of their respective directors, officers or employees, or, to Progress Energy's Knowledge, any other Representative of the Group Companies is, or has been since April 24, 2019, a Sanctioned Person or has engaged in any dealings or transactions with or for the benefit of any Sanctioned Person or in any Sanctioned Country. None of the Group Companies, nor, to Progress Energy's Knowledge, any of their respective Representatives authorized to act, and acting on behalf of any of them has, directly or indirectly, in connection with the business of any Group Company:

(a) used any corporate or other funds to make or offer any unlawful gift, entertainment, payment, loan or transfer of anything of value to or for the benefit of any Government Official in violation of applicable Laws for the purpose of (i) influencing any act or decision of such Government Official, (ii) inducing such Government Official to do or omit to do any act in violation of a lawful duty, (iii) obtaining or retaining business for or with any Person, (iv) expediting or securing the performance of official acts of a routine nature, or (v) otherwise securing any improper advantage; or

(b) otherwise violated any Anti-Corruption Laws.

Section 4.19 Data Privacy; Cybersecurity.

(a) The Group Companies and (with respect to the business or operations of the Group Companies) their Affiliates have and, to Progress Energy's Knowledge, with respect to the Processing of Personal Data on the Group Companies' behalf, their respective Data Processors have, since the Lookback Date, complied in all material respects with all applicable Company Privacy Policies and Privacy Laws. To the extent required by Privacy Laws or Company Privacy Policies, in all material respects (i) Personal Data is Processed by the Group Companies, their Affiliates (with respect to the business or operations of the Group Companies) and, to Progress Energy's Knowledge, their respective Data Processors, in an encrypted manner, and (ii) Personal Data is securely deleted or destroyed by the Group Companies, their Affiliates and, to Progress Energy's Knowledge, their respective Data Processors.

(b) Since the Lookback Date, the Group Companies and their Affiliates and, to Progress Energy's Knowledge, their respective Data Processors have (i) maintained an Information Security Program and (ii) there have been no material violations of the then-current Information Security Program. The Group Companies and their Affiliates have tested their respective Information Security Programs on a no less than annual basis and, except as would not be material to the Group Companies or the business or operations of the Group Companies, have remediated all critical and high risk vulnerabilities (or have otherwise implemented sufficient controls and internal risk acceptance processes to mitigate such vulnerabilities). The IT Systems owned or controlled by the Group Companies are in good working condition, operate and perform as necessary to conduct the business of the Group Companies and, to Progress Energy's Knowledge, do not contain any Malicious Code.

(c) Except as would not be material to the Group Companies or the business or operations of the Group Companies, since the Lookback Date, the Group Companies and, with respect to the business or operations of the Group Companies, their Affiliates, have not suffered a Data Breach, have not been required to notify any Person or Governmental Authority pursuant to any Privacy Law, and have not been adversely affected by any Malicious Code or denial-of-service attacks on any IT Systems. Since the Lookback Date, none of the Group Companies, any of their Affiliates (with respect to the business or operations of the Group Companies) nor any third party acting at the direction or authorization of any Group Company or any of such Affiliates has paid any perpetrator of any actual or threatened Data Breach or cyber-attack, including a ransomware attack or a denial-of-service attack. Since the Lookback Date, (i) none of the Group Companies or any of their Affiliates has received a written notice (including any enforcement notice), letter, or complaint from a Governmental Authority or any Person relating to any Data Breach or alleging

noncompliance or potential noncompliance with any Privacy Laws or Company Privacy Policies and (ii) none of the Group Companies and their Affiliates has been subject to any proceeding relating to any Data Breach or noncompliance or potential noncompliance with Company Privacy Policies or Privacy Laws or any Group Company's, or (with respect to the business or operations of the Group Companies) its Affiliate's, Processing of Personal Data.

Section 4.20 Anti-Money Laundering. The operations of each Group Company are, and have since the Lookback Date been, conducted at all times in compliance in all material respects with the requirements of applicable anti-money laundering Laws, including the Bank Secrecy Act of 1970, as amended by the USA PATRIOT ACT of 2001, the regulations administered by the Office of Foreign Assets Control and the anti-money laundering Laws of the various jurisdictions in which the Group Companies conduct business (collectively, "AML Laws"). As of the Agreement Date, to Progress Energy's Knowledge, no Action or Proceeding involving Progress Energy or any Group Company with respect to the Group Companies' compliance with AML Laws is pending or threatened in writing.

Section 4.21 Intercompany Transactions.

(a) Schedule 4.21(a) sets forth a true and complete list of the Duke affiliate transaction guidelines and cost allocation methodologies (other than those included in the Affiliate Contracts) applicable to the Group Companies as of the Agreement Date (the "Affiliate Guidelines").

(b) Since the Balance Sheet Date, as of the Agreement Date, all transactions, charges, services, transfers, payments, accruals and other business or obligations between any of the Group Companies, on the one hand, and Duke and its Affiliates (other than the Group Companies) on the other hand ("Intercompany Transactions"), are in compliance in all material respects with the terms of the Affiliate Contracts and Affiliate Guidelines, as applicable.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND ACKNOWLEDGEMENTS OF INVESTOR

Except as disclosed in the schedules to this Agreement (each section of which qualifies the correspondingly numbered representation and warranty to the extent specified therein and such other representations and warranties to the extent a matter in such section is disclosed in such a way as to make its relevance to such other representation or warranty reasonably apparent), Investor represents and warrants to Progress Energy as of the Agreement Date as follows:

Section 5.1 Organization. Investor is a limited partnership duly organized or created, validly existing and in good standing under the Laws of the State of Delaware. Investor is qualified to do business in all jurisdictions where the failure to qualify would be reasonably expected to materially and adversely affect the ability of Investor to perform its obligations under the Transaction Documents or to consummate the Transactions.

Section 5.2 Authority and Power. Investor has the requisite power and authority to enter into each of the Transaction Documents to which it is a party, consummate each of the transactions and undertakings contemplated thereby, and perform all the terms and conditions thereof to be

performed by it. The execution, delivery and performance of each of the Transaction Documents to which Investor is a party and the consummation of each of the transactions and undertakings contemplated thereby have been duly authorized by all requisite action on the part of Investor under its Charter Documents.

Section 5.3 Valid and Binding Obligations. Each of the Transaction Documents to which Investor is a party has been duly and validly executed and delivered by Investor, and, assuming the due and valid execution and delivery of such Transaction Documents by the other parties thereto, is enforceable against Investor in accordance with the terms thereof, except as such enforceability may be limited or denied by (a) applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights and the enforcement of debtors' obligations generally, and (b) general principles of equity, regardless of whether enforcement is pursuant to a proceeding in equity or at law.

Section 5.4 Approvals and Consents. Except for (a) FERC Approval and filings related thereto, (b) NRC Approval and filings related thereto, (c) CFIUS Approval and filings related thereto (clauses (a) through (c), the "Investor Required Approvals" and together with the Progress Energy Required Approvals, the "Required Approvals"), and (d) such other filings, consents or approvals which, if not made or obtained, would not be reasonably expected to, individually or in the aggregate, materially and adversely affect the ability of Investor to perform its obligations under the Transaction Documents or to consummate the Transactions, Investor is not required to give any notice, make any filing, or obtain any third-party consent or approval (including Governmental Approvals) to execute, deliver or perform any of the Transaction Documents to which it is a party or to consummate the transactions contemplated thereby.

Section 5.5 No Violations. The execution, delivery and performance by Investor of each of the Transaction Documents to which it is a party does not, and the consummation of the transactions contemplated thereby will not, (a) violate the Charter Documents of Investor, (b) violate or be in conflict with, or constitute a default (or any event that, with or without due notice or lapse of time, or both, would constitute a default) under, any Contract to which Investor is a party or by which any of Investor's properties or Assets are or may be bound or (c) subject to obtaining the Investor Required Approvals, violate any applicable Law or Order, other than, with respect to clauses (b) and (c), any such conflicts, violations or defaults that would not reasonably be expected, individually or in the aggregate, to materially and adversely affect the ability of Investor to perform its obligations under the Transaction Documents or to consummate the Transactions.

Section 5.6 No Litigation. There is no Action or Proceeding pending to which Investor is a party (and, to Investor's Knowledge, there is no Action or Proceeding threatened against Investor), in any such case at law or in equity, that would reasonably be expected, individually or in the aggregate, to materially and adversely affect the ability of Investor to perform its obligations under the Transaction Documents or to consummate the Transactions.

Section 5.7 Bankruptcy. Investor has not filed a petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency, and no such petition has been filed against

Investor. No general assignment of Investor's property has been made for the benefit of creditors, and no receiver, master, liquidator or trustee has been appointed for Investor.

Section 5.8 Brokers. Investor has no Liability or obligation to pay fees or commissions to any broker, finder or agent with respect to the Transactions for which Progress Energy or the Group Companies could become liable.

Section 5.9 Regulatory Status. Investor (i) is not a "public utility" or "electric utility" under the laws of the State of Florida or the FPA; and (ii) as of the Agreement Date, is not a "public utility holding company" under PUHCA.

Section 5.10 Financing; Source of Funds.

(a) Assuming the applicable conditions set forth in Section 7.1 and Section 7.2 are satisfied or waived at or prior to the First Closing and assuming the First Closing Equity Financing and Debt Financing are funded in accordance with the terms and conditions of the BSIP Equity Commitment Letter and the Debt Financing Commitment Letters, Investor will have available to it at the First Closing sufficient unrestricted cash or other sources of immediately available funds to pay the First Closing Purchase Price and any fees, costs, and expenses incurred by Investor in connection with the Transactions and to perform its other obligations hereunder (the "Investor Required Amount"). As of the Agreement Date, Investor does not know of any circumstance or condition that would or would reasonably be expected to prevent or delay the availability of such funds or otherwise impair Investor's ability to consummate the Transactions and pay the Investor Required Amount at the First Closing. No funds to be paid by Investor will have been derived from, or constitute, either directly or indirectly, the proceeds of any criminal activity, including under AML Laws, or will otherwise be paid in violation of AML Laws.

(b) Assuming the applicable conditions set forth in Section 7.1 and Section 7.2 are satisfied or waived at or prior to the applicable Subsequent Closing and assuming the applicable Subsequent Closing Equity Financing is funded in accordance with the terms and conditions of the BAM Equity Commitment Letter, Investor will have available to it at the applicable Subsequent Closing sufficient unrestricted cash or other sources of immediately available funds to pay the applicable Closing Purchase Price and any fees, costs, and expenses incurred by Investor in connection with the Transactions and to perform its other obligations hereunder (the "Subsequent Closing Investor Required Amount"). As of the Agreement Date, Investor does not know of any circumstance or condition that would or would reasonably be expected to prevent or delay the availability of such funds or otherwise impair Investor's ability to consummate the Transactions and pay the Subsequent Closing Investor Required Amount at the applicable Subsequent Closing.

(c) Investor has delivered to the Company a true, correct and complete copy of each Equity Commitment Letter pursuant to which (i) with respect to the BSIP Equity Commitment Letter, BSIP has agreed, subject to the terms and conditions thereof, to provide or cause to be provided the First Closing Equity Financing and (ii) with respect to the BAM Equity Commitment Letter, BAM has agreed, subject to the terms and conditions thereof, to provide or cause to be provided the Subsequent Closing Equity Financing. Each Equity Commitment Letter provides, and will continue to provide, that the Company is an express third-party beneficiary of, and is entitled to enforce, such Equity Commitment Letter.

(d) Investor has delivered to the Company true, correct, complete and fully executed copies of executed debt commitment letters, dated as of the Agreement Date (the "Debt Commitment Letters"), between Investor and the Debt Financing Sources party thereto (including all exhibits, schedules, joinders and annexes related thereto, and the executed fee letter (the "Fee Letter") associated therewith (with fee amounts, original issue discount, pricing provisions, market flex, pricing caps and other sensitive economic terms customarily redacted in such Fee Letter or such Debt Commitment Letters, as applicable, if required by the Debt Financing Sources; provided, further, that none of the redacted terms would or would reasonably be expected to (i) adversely affect or delay the availability of the Debt Financing or (ii) adversely affect the conditionality, availability, enforceability or aggregate principal amount of the Debt Financing or the ability to terminate the Debt Financing), as the same may be amended pursuant to Section 6.11(c)) (the Debt Commitment Letters and the Fee Letter, collectively, the "Debt Financing Commitment Letters" and, collectively with the Equity Commitment Letters, the "Commitment Letters") pursuant to which the lender parties thereto have agreed, subject to the terms and conditions thereof, to provide or cause to be provided the debt financing in the amounts set forth therein (the "Debt Financing").

(e) As of the Agreement Date, the Equity Commitment Letters and the terms of the First Closing Equity Financing and the Subsequent Closing Equity Financing have not been withdrawn (and no party thereto has indicated an intent to so withdraw), amended, restated or otherwise modified or waived, and the respective commitments contained therein have not been terminated, reduced, withdrawn, modified or rescinded in any respect, and no such amendment, restatement, modification or waiver thereto is contemplated as of the Agreement Date. As of the Agreement Date, each Equity Commitment Letter is in full force and effect and constitutes the legal, valid and binding obligation of the parties thereto, enforceable against Investor and BSIP and BAM (as applicable) in accordance with the terms of such Equity Commitment Letter, respectively (except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, rehabilitation, liquidation, preferential transfer, moratorium and similar Laws now or hereafter affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at equity or law)).

(f) As of the Agreement Date, the Debt Financing Commitment Letters and the terms of the Debt Financing have not been withdrawn (and no party thereto has indicated an intent to so withdraw), amended, restated or otherwise modified or waived, and the respective commitments contained therein have not been terminated, reduced, withdrawn, modified or rescinded in any respect, and to Investor's Knowledge, as of the Agreement Date, no such amendment, restatement, modification or waiver thereto is contemplated. As of the Agreement Date, the Debt Financing Commitment Letters are in full force and effect and constitute the legal, valid and binding obligation of Investor and, to Investor's Knowledge, the other parties thereto, enforceable against each party thereto in accordance with its terms (in each case, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, rehabilitation, liquidation, preferential transfer, moratorium and similar Laws now or hereafter affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at equity or law)).

(g) Investor acknowledges and agrees that its obligation to consummate the Transactions contemplated by this Agreement are not subject to any conditions regarding Investor's or any other Person's ability to obtain financing for the consummation of the Transactions.

(h) As of the Agreement Date, there are no side letters or other legally binding agreements, contracts, arrangements, or understandings of any kind (written or oral) relating to the funding or investing, as applicable, of the full amount of the First Closing Equity Financing, the Subsequent Closing Equity Financing and the Debt Financing, other than (i) the applicable Commitment Letters and (ii) side letters among BSIP, BAM, the Brookfield Group and their respective Affiliates with respect to the First Closing Equity Financing and the Subsequent Closing Equity Financing. Neither the First Closing Equity Financing, the Subsequent Closing Equity Financing nor the Debt Financing is subject to any conditions precedent other than those expressly set forth in the applicable Commitment Letter.

(i) As of the Agreement Date, (i) no event has occurred which would constitute or would reasonably be expected to constitute a breach or default (or an event which with notice or lapse of time or both would constitute or would reasonably be expected to constitute a default) on the part of Investor or BSIP or BAM under the Equity Commitment Letters (as applicable) and (ii) Investor has no reason to believe that any of the conditions to the First Closing Equity Financing or the Subsequent Closing Equity Financing will not be satisfied on a timely basis (or that the full amount of the First Closing Equity Financing or the Subsequent Closing Equity Financing will not be available to Investor) on or prior to the First Closing Date or a Subsequent Closing Date (as applicable).

(j) As of the Agreement Date, (i) no event has occurred which would constitute or would reasonably be expected to constitute a breach or default (or an event which with notice or lapse of time or both would constitute or would reasonably be expected to constitute a default) on the part of Investor, or, to Investor's Knowledge, any other party to the Debt Financing Commitment Letters, under the Debt Financing Commitment Letters, and (ii) Investor has no reason to believe that any of the conditions to the Debt Financing will not be satisfied on a timely basis (or that the full amount of the Debt Financing will not be available to Investor) on or prior to the First Closing Date. Investor will fully pay when due (and has paid to the extent required to be paid on or prior to the Agreement Date) any and all commitment and other fees, costs and expenses that are required to be paid pursuant to the Debt Financing Commitment Letters or otherwise in connection with the Debt Financing.

Section 5.11 Guarantee. The commitments contained in Guarantee have not been terminated, reduced, withdrawn, modified or rescinded in any respect, and no event has occurred which, with or without notice, lapse of time or both, could constitute a default on the part of BSIP under the Guarantee. The Guarantee is in full force and effect and constitutes the legal, valid and binding obligation of BSIP, enforceable against BSIP in accordance with the terms of the Guarantee (except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, rehabilitation, liquidation, preferential transfer, moratorium and similar Laws now or hereafter affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at equity or law)).

Section 5.12 Investment Intent. Investor acknowledges that neither the offer nor the sale of the applicable Acquired Interests has been registered under the U.S. Securities Act of 1933 (the "Securities Act"), or under any state or foreign securities Laws. Investor is acquiring the applicable Acquired Interests for its own account for investment, without a view to, or for a resale in connection with, the distribution thereof in violation of the Securities Act or any applicable state or foreign securities Laws and with no present intention of distributing or reselling any part thereof. Investor will not so distribute or resell any of the applicable Acquired Interests in violation of any such Laws.

Section 5.13 Prohibited Transactions. Neither the acquisition by Investor nor the holding by Investor of the applicable Acquired Interests will result in a non-exempt prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code.

ARTICLE VI

COVENANTS

Section 6.1 Conduct of Business after the Agreement Date.

(a) From the Agreement Date until the earliest of (x) the termination of this Agreement and (y) the First Closing, except (i) as required or expressly permitted by this Agreement or any Ancillary Agreement, (ii) as set forth in Schedule 6.1, (iii) as required by applicable Law or Order or (iv) with the prior written consent of Investor (which consent shall not be unreasonably withheld, delayed or conditioned), Progress Energy shall cause each of the Group Companies (A) to conduct its business in the ordinary course of business consistent with past practice, (B) to preserve, maintain and protect the Assets of each of the Group Companies, in each case, in material compliance with applicable material Permits, Laws and the Material Contracts, (C) not to issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for, shares of their Equity Interests, (D) not to split, combine or reclassify any of its Equity Interests or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for, shares of their Equity Interests, (E) not to fail to maintain its existence or merge or consolidate with any other Person, (F) not to prepare or file any material Tax Return inconsistent with past practice or, on any such material Tax Return, take any position, make any material election, or adopt any material method of Tax accounting that is inconsistent with positions taken, elections made or methods used in preparing or filing similar Tax Returns in prior periods, file any material amended Tax Return, settle or otherwise compromise any claim relating to a material amount of Taxes, enter into any closing agreement or similar agreement relating to Taxes, surrender any right to claim a material Tax refund, offset or other reduction in a material Tax liability, or request any ruling or similar guidance with respect to Taxes, in each case except to the extent such action is not reasonably expected to result in a material increase in the Tax liability of the Group Companies for any Tax period, (G) not to take any action that is inconsistent with the purpose of the business of the Company as set forth in Section 2.3 of the A&R LLC Agreement (including entering into any new line of business), (H) not to liquidate, dissolve, reorganize or otherwise wind up its business or operations, (I) not to (1) incur any Debt if pro forma for such incurrence, the Consolidated Net Leverage Ratio (as defined in the A&R LLC Agreement) would exceed the Debt Layer (as defined in the A&R LLC Agreement) by more than one percent (1.0%), (2) guarantee any Liabilities of Duke or any of its Affiliates (other than

Liabilities of the Group Companies) or (3) permit or suffer to exist any Lien (other than Permitted Real Property Liens) on any of its properties or assets as security for any Debt of Duke or any of its Affiliates (other than the Group Companies), (J) not to declare or pay any dividend or distribution to the holders of any Equity Interests in the Company, (K) not to enter into or effectuate, or otherwise agree, commit, decide or delegate authority to take, any action that would constitute a "Major Decision" (whether "Manager Matters," "Investor 4.9% Matters," or "Investor Matters") or a "Permitted Material Business Deviation Decision" pursuant to and as defined in the A&R LLC Agreement, or (L) to agree or commit to do any of the foregoing acts described in clauses (C)–(K) hereof.

(b) Notwithstanding anything to the contrary in this Agreement, from the Agreement Date until the earlier termination of this Agreement and the First Closing, Progress Energy may cause any of the Group Companies to take reasonable actions in accordance with Good Utility Practice and in compliance with applicable Law, taking into account the geographic locations of such actions, as reasonably necessary in connection with an Emergency Situation in compliance with applicable Law, including taking any action that requires the prior written consent of the Investor set forth in Section 6.1(a)(iv) without receiving such prior written consent to the extent that (i) seeking the consent of Investor prior to taking any such action is impossible, impractical, or imprudent (in the good faith discretion of Progress Energy) or (ii) Investor fails to respond to Progress Energy's request for consent within twenty-four (24) hours and it would be impractical or imprudent (in the good faith discretion of Progress Energy) to refrain from taking such action; provided, however, that Progress Energy shall provide Investor with reasonably prompt (and, to the extent reasonably practicable, prior) written notice of any such Emergency Situation and such actions.

Section 6.2 Expenses; Transfer Taxes; Tax Matters.

(a) Expenses. Except as otherwise provided in any other provision of this Agreement, all costs and expenses incurred in connection with this Agreement, the Transaction Documents and the Transactions shall be paid by the Party incurring such costs and expenses; provided, however, that Progress Energy shall be responsible for any costs and expenses, including legal fees, brokers' fees or fees and expenses of other any consultants and advisors, incurred by the Group Companies in connection with the Transactions.

(b) Transfer Taxes. Notwithstanding anything to the contrary in this Agreement, Investor shall be responsible for the timely payment of all Transfer Taxes arising out of or incurred in connection with the Transactions. In addition, Investor shall prepare and timely file all necessary documentation and Tax Returns required to be filed by Investor with respect to such Transfer Taxes. The Parties shall cooperate in good faith in the filing of such Tax Returns, and in attempting to minimize the amount of such Transfer Taxes to the extent permitted under applicable Law.

(c) Tax Returns. With respect to any income Tax Returns to be filed by or on behalf of any Group Company, not less than forty-five (45) days prior to the due date for such income Tax Return, taking into account applicable extensions (or, if such due date is within forty-five (45) days following the First Closing Date, as promptly as practicable following the First Closing Date), Duke shall provide Investor, or cause Investor to be provided, with a draft copy of

such income Tax Return (along with any other information reasonably requested by Investor relating to such income Tax Returns and any Tax elections made on such income Tax Returns) for Investor's review and comment; provided, however, in the case of any such income Tax Returns that are filed on a consolidated, combined or unitary basis that includes Duke or any of its Subsidiaries other than the Group Companies (a "Group Return"), Duke shall provide Investor, or cause Investor to be provided, pro forma income Tax Returns reflecting solely the income and operations of the Group Companies. Duke shall consider in good faith any comments to such income Tax Returns (or pro forma income Tax Returns) that are provided to Duke by Investor no later than fifteen (15) days prior to the due date for such income Tax Returns, taking into account applicable extensions. For the avoidance of doubt, and notwithstanding anything to the contrary contained herein or in any Transaction Document, in no event shall Duke or any of its Affiliates be required to provide any information to Investor that relates to a Group Return except to the extent such information relates solely to the Group Companies or relates to making a Tax election that is binding on all entities included in such Group Return.

(d) Tax Elections. Without the prior written consent of Investor, which consent shall not be unreasonably withheld, conditioned, or delayed, neither Duke nor any of its Subsidiaries (including the Group Companies) will make or cause to be made any Tax election (other than Tax elections made in the ordinary course of business or that relate to the transfer of Tax credits pursuant to Section 6418 of the Code) that would reduce or limit the use of the Tax attributes of the Group Companies if such Tax election would be reasonably likely to have a material adverse effect on the Taxes payable by any Group Company or the payments due to any Group Company pursuant to the Tax Sharing Agreement, unless such adverse effect in any taxable period will be recovered by DEF through rates in the same taxable period or in two (2) succeeding taxable periods.

(e) Tax Sharing Payments. Duke shall promptly provide, or cause to be promptly provided, to Investor copies of the computations of all amounts payable by or to any Group Company under the Tax Sharing Agreement and reasonable access to all records, work papers, and other documents of or relating to the Group Companies which are reasonably necessary to verify such computations. Duke shall work, in good faith, taking into account all relevant circumstances surrounding the preparation of the computations, to provide such computations to Investor so that Investor has a reasonable opportunity to review the computations before any payment is made by or to the Group Companies pursuant to the Tax Sharing Agreement and provide comments, which Duke will consider in good faith. Notwithstanding anything to the contrary in this Agreement or the Tax Sharing Agreement, following any payment made directly or indirectly by any Group Company, on the one hand, to Duke or any of its Affiliates or any other Person (other than, in each case, a Group Company), on the other hand, pursuant to the Tax Sharing Agreement, in connection with, or otherwise resulting, from the filing of any amended or superseding Tax Return or Tax audit or similar proceeding (including, for the avoidance of doubt, Item 2 set forth on Schedule 4.11(a)) relating to any taxable period, or any portion thereof, ending on or before the First Closing Date (each such payment, a "Designated Tax Sharing Payment"), Duke shall cause Progress Energy to promptly contribute cash in an amount equal to such Designated Tax Sharing Payment to the Company as a contribution to capital and with no issuance of Equity Interests or other securities in respect of such contribution. Until the earlier to occur of (x) the Subsequent Closing End Date and (y) such time as Investor shall have acquired the Maximum Acquired Percentage, Duke shall use commercially reasonable efforts to provide a

corporate payment or intercompany credit (within the meaning of the Tax Sharing Agreement) to the Company in respect of any corporate taxable loss (within the meaning of the Tax Sharing Agreement) of the Company in accordance with Section 4 of the Tax Sharing Agreement no later than five (5) Business Days following the payment of any cash interest paid by the Company with respect to any Debt (as defined in the A&R LLC Agreement) of the Company (excluding, for the avoidance of doubt, Debt of the Company's Subsidiaries); provided that it shall be assumed for this purpose, notwithstanding anything to the contrary contained in the Tax Sharing Agreement, that such corporate taxable loss is fully utilized to reduce the consolidated regular income tax of the Group (as defined in the Tax Sharing Agreement) for such period. Notwithstanding anything to the contrary contained in the Tax Sharing Agreement, the amount paid to the Company pursuant to this Section 6.2(e), and the amount of any taxable loss for which such payment is received, shall be ignored for purposes of determining the Company's obligations and entitlements under the Tax Sharing Agreement.

(f) Tax Proceedings. Duke shall, or shall cause its Affiliates or Subsidiaries (including the Group Companies) to (i) promptly notify Investor of any proposed Tax audit or similar proceeding to the extent it relates to material Taxes for which any of the Group Companies may be liable (a "Tax Proceeding"), (ii) keep Investor reasonably apprised regarding the progress of any such Tax Proceeding, (iii) consult in good faith with Investor prior to taking any material action in connection with any such Tax Proceeding, provided that such consultation does not unreasonably delay or impede the progress of the Tax Proceeding, and (iv) defend any such Tax Proceeding diligently and in good faith as if the Group Companies were the only parties in interest. For the avoidance of doubt, and notwithstanding the foregoing, (A) none of Duke or any of its Affiliates shall be required to keep Investor apprised of, or consult with Investor on, any issue relating to any aspect of a Group Return that does not relate to, or affect the Tax Liability of, any Group Company, (B) in no event shall Duke or any of its Affiliates be required to provide any information to Investor that relates to a Group Return except to the extent such information relates solely to, and affects the Tax Liability of, the Group Companies, and (C) without limiting Investor's rights in the event of a breach of the covenant in the prior sentence, in no event shall Duke or any of its Affiliates be precluded from resolving any Tax Proceeding relating to a Group Return.

(g) Certain Transactions. Neither Duke nor any of its Affiliates or Subsidiaries (including the Group Companies) will cause any Group Company to participate in any "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(2), "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(1) (with the exception of a "loss transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(5)), as defined in Section 6707A(c) of the Code, or transaction of interest within the meaning of Treasury Regulations Section 1.6011-4(b)(6), whether as a separate entity or as a member of a group filing a Group Return.

(h) Disaffiliation. Upon a disaffiliation of any Group Company that results in any Group Company no longer being included in the Duke Consolidated Group, the income, deductions, gains, losses, and other items of such disaffiliated Group Company will be allocated between the period on or prior to such disaffiliation and the period beginning on the day after such disaffiliation on a closing-of-the-books basis in a manner consistent with Treasury Regulations Section 1.1502-76(b)(2) (or similar provision of state, local or foreign law) without any ratable

allocation election under Treasury Regulations Section 1.1502-76(b)(2)(ii)(D) (or similar provision of state, local or foreign law), unless Duke determines that it is beneficial to both Duke and Investor to use a ratable allocation method and Investor provides prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

(i) FIRPTA Matters. If necessary to prevent or reduce withholding pursuant to Section 1445 of the Code on (i) payments made by the Company to Investor or (ii) payments made by a third party to Investor, in each case, in respect of Investor's interest in the Company, Duke and its Affiliates shall reasonably cooperate with (including by providing reasonable and sufficient information to) Investor in connection with Investor obtaining a withholding certificate from the IRS pursuant to Treasury Regulations Section 1.1445-3 or Treasury Regulations Section 1.1445-6, as applicable (or any successor provision); provided, that in the case of any withholding certificate in respect of payments made under clause (i) above, the Company shall reimburse Investor for any reasonable and out-of-pocket costs and expenses incurred in obtaining such withholding certificate up to a maximum amount of $100,000. Without limiting the foregoing, following the First Closing, at the Company's expense, Investor, Duke and their respective Affiliates shall reasonably cooperate from time to time in evaluating whether the Company may constitute a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code. Without limiting the foregoing, the Company shall promptly notify Investor in writing if it becomes aware that the Company is or has become a "United States real property holding corporation" (within the meaning of Section 897(c)(2) of the Code) at any time.

Section 6.3 Regulatory Matters.

(a) FERC. As soon as practical following the execution of this Agreement, but in no event later than thirty-five (35) Business Days from the Agreement Date, Progress Energy and Investor will submit a joint application to the FERC pursuant to Section 203 of the FPA seeking FERC approval for the purchase and sale of the Acquired Interests (the "FERC Approval"). Each Party shall cooperate with each other in the preparation and filing of such application to obtain the FERC Approval, and shall consider and incorporate in such filings all reasonable comments, if any, submitted by the other Party with respect thereto. The Parties shall use reasonable best efforts to obtain the FERC Approval at the earliest possible date after the date of filing. Each Party will bear its own costs of the preparation and prosecution of any such filing to obtain the FERC Approval.

(b) CFIUS. Each Party shall cooperate and use reasonable best efforts to obtain CFIUS Approval. Such reasonable best efforts shall include (i) promptly (and in no event later than thirty-five (35) Business Days from the Agreement Date, unless otherwise agreed by the Parties) prepare and file a draft of a joint voluntary notice of the transactions contemplated hereby in accordance with the CFIUS Statute; as promptly as practicable provide CFIUS with any additional or supplemental information requested by CFIUS with respect to such draft joint voluntary notice; and, as promptly as practicable following the receipt of confirmation that CFIUS has no further comment on the draft of the joint voluntary notice of the transactions contemplated hereby, shall submit to CFIUS a formal joint voluntary notice in accordance with the CFIUS Statute (the "CFIUS Notice"); (ii) providing any information requested by CFIUS or any other agency or branch of the U.S. government in connection with the CFIUS assessment, review, and/or

investigation of the Transactions within the timeframes set forth in the CFIUS Statute or within a longer time frame approved by CFIUS in writing, provided that any Party, after consultation with each such other Party, may request in good faith an extension of time pursuant to the CFIUS Statute to respond to CFIUS requests for follow-up information, provided that under no circumstance may a party request any extension that would reasonably be expected to cause CFIUS to reject the CFIUS Notice; (iii) participating (or directing its Representatives to participate) in any informal pre-filing discussions with representatives of CFIUS; (iv) drafting, coordinating, and submitting the notice to CFIUS, including by allowing each such other Party to have an opportunity to review in advance and comment on drafts of filings, subject to redactions of personal identifying information and information reasonably determined by such other Party to be business confidential; (v) informing each such other Party of any communication received by such Party from, or given by such Party to, CFIUS, by promptly providing copies to the other of any such written communications, except for any exhibits to such communications that are otherwise requested by CFIUS to remain confidential from each such other Party or information reasonably determined by such other Party to be business confidential; (vi) permitting each other to review in advance any written communication that any Party provides to CFIUS and any written preparatory materials in respect of any material oral communication except, in each case, for any communications that are requested by CFIUS to remain confidential from each such other Party or information reasonably determined by such Party to be business confidential, (vii) reasonably consulting with each other Party in advance of any meeting, telephone call or conference with CFIUS, and to the extent not prohibited by CFIUS, giving each other Party the opportunity to attend and participate in any telephonic conferences or in-person meetings with CFIUS; (viii) preparing for and attending any meetings with CFIUS; and (ix) taking any other reasonably requested action in furtherance of CFIUS Approval. Investor shall pay the filing fee for any CFIUS Notice. Notwithstanding anything to the contrary herein, if CFIUS notifies the Parties in writing that CFIUS (i) has completed its review or investigation or has determined that it requires no more time to review or investigate; and (ii) intends to send a report to the President recommending that the President act to suspend or prohibit the transactions contemplated by this Agreement (a "CFIUS Turndown"), none of the Parties shall have any further obligation to seek CFIUS Approval, and any Party may in its discretion request withdrawal of the CFIUS Notice; provided that this right shall not be available to any Party whose material breach of any provision of this Agreement resulted in, or was a principal cause of, such CFIUS Turndown.

(c) NRC. As soon as practical following the execution of this Agreement, but in no event later than thirty-five (35) Business Days from the Agreement Date, Progress Energy with the cooperation of Investor shall submit an application to the NRC requesting (i) a written threshold determination from the NRC that the Transactions do not constitute a direct or indirect transfer of control of any license issued by the NRC (such determination, a "Threshold Determination"), or in the alternative, (ii) NRC's written consent for the indirect transfer of control over any NRC licenses held by DEF resulting from the transaction under 18 C.F.R. § 50.80 (such consent, the "NRC Consent"). Each Party shall cooperate with each other in the preparation and filing of such application to obtain NRC Approval, and shall consider and incorporate in such filings all reasonable comments, if any, submitted by the other Party with respect thereto. The Parties shall use reasonable best efforts to obtain the NRC Approval at the earliest possible date after the date of filing. Each Party will bear its own costs of the preparation and prosecution of any such filing to obtain the NRC Approval.

(d) Other Regulatory Filings. Each Party shall cooperate and use reasonable best efforts to prepare and file, or cause to be filed, as soon as practicable, but in no event later than thirty-five (35) Business Days from the Agreement Date, all necessary documentation, to effect all necessary applications, notices, petitions, filings and other documents, and to use reasonable best efforts to obtain all necessary permits, consents, approvals and authorizations of all Governmental Authorities necessary or advisable to consummate the Transactions as soon as reasonably practicable and in any event prior to the Termination Date. Each Party shall have the right to review within a reasonable time in advance and to offer comments on any filing made after the Agreement Date and until the Termination Date (as the same may be extended hereunder) by the other Party (or Affiliates of the other Party) with any Governmental Authority with respect to the transactions; provided, however, that, to the extent such filings contemplate confidential or sensitive information of a Party (or a Party's Affiliates), the Parties shall (subject to the limitations set forth in this Agreement), in good faith, cooperate to provide the necessary or requested confidential or sensitive information in such a manner as to reasonably protect the interests of the disclosing Party, including, at the discretion of the Party from whom such information is sought, by providing it subject to a protective order, while not adversely affecting the timely consummation of the Transactions. Progress Energy does not anticipate that any state utility regulatory commission will be required in connection with the transactions contemplated by this Agreement. In the event that any such approvals or consents are required, or any inquiries are initiated, Investor agrees to cooperate with Progress Energy, and each of Progress Energy and Investor agrees to use its reasonable best efforts, to obtain such consents and approvals as promptly as practicable after the Agreement Date, and Progress Energy shall be solely responsible for all costs and expenses in connection therewith.

(e) In furtherance of this Section 6.3, until the earlier of the termination of this Agreement or the First Closing, neither Investor nor any of its Affiliates shall acquire or enter into any contract to acquire, direct or indirect control over an electric generation facility or its output or a public utility operating in the State of Florida if such action would reasonably be expected to materially impair or delay the consummation of the Transactions for any reason or result in the failure to satisfy any condition to the consummation of the Transactions. Notwithstanding anything to the contrary herein, Investor and its Affiliates shall not be required to take or agree to take any action that constitutes a Burdensome Condition in connection with the Transactions (including pursuant to this Section 6.3 or Section 6.4) and without prior written consent of Investor, none of the Group Companies shall take, offer or accept, or agree, commit to agree or consent to any action, undertaking, term, condition, liability, obligation, commitment, sanction or other measure requiring Investor or its Affiliates to take any action that constitutes a Burdensome Condition.

(f) Copies and Notices. Except with respect to Taxes, (i) each Party shall promptly provide the other Party with copies of all filings made by such Party with any Governmental Authority in connection with this Agreement and the Transactions; provided, however, that, to the extent such filings include confidential or sensitive information of Investor, the portions thereof including such sensitive or confidential information may be redacted and, at the discretion of Investor, be provided only on an outside counsel basis or directly to the relevant Governmental Authority; and (ii) the Parties shall keep each other apprised of the status of matters relating to the completion of the Transactions, including promptly furnishing the other Party with copies of any notices or other communications received by Progress Energy or Investor, as the case may be, or any of their respective Affiliates, from any third party or any Governmental

Authority with respect to the Transactions. Each Party shall promptly provide the other Party with notice of any change or event that would reasonably be expected to materially impair such Party's ability to perform its obligations under or consummate the Transactions.

(g) Books and Records. Notwithstanding anything to the contrary in this Agreement, the Group Companies shall not be required to provide to Investor any portion of any Tax Return (or any supporting work papers or other documentation related thereto) of Duke or any of its Affiliates, other than to the extent such information relates solely to the Group Companies.

Section 6.4 Notice Filings. Duke shall use reasonable best efforts to make, or cause to be made, the notice filings set forth on Schedule 3.4(e) in accordance therewith, and shall bear all costs and expenses in connection therewith. Duke shall keep Investor reasonably informed in connection therewith, including by affording Investor an opportunity to review any documentation in connection therewith and considering any comments from Investor in good faith.

Section 6.5 Further Assurances. Each Party will, and, as applicable, will cause its Affiliates to, take, or cause to be taken, all reasonable action and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable Laws to consummate the Transactions in accordance with the terms hereof, including executing such further documents or instruments and taking such further actions as may be reasonably requested by another Party in order to consummate the Transactions in accordance with the terms hereof; provided, however, that this Section 6.5 shall not apply to the Parties' obligations in connection with obtaining the Required Approvals or any other permits, consents, approvals and authorizations of a Governmental Authority that may be necessary or advisable to consummate the Transactions, with respect to which the Parties' obligations are set forth in Section 6.3 or Section 6.4, respectively.

Section 6.6 Announcements. Other than to the extent consistent with any press release or other public announcement approved by the Parties relating to the subject matter of this Agreement or the Transactions, no Party shall issue any press release or any other public announcement with respect to this Agreement or the Transactions without obtaining the prior written consent of the other Parties, except as may be required by applicable Law or obligations under any listing agreement with or rules of any national securities exchange. The Parties agree that the initial press release to be issued with respect to the Transactions shall be in the form consented to by each Party. Notwithstanding the foregoing, Investor, BSIP, BAM and any of their respective Representatives may disclose, subject to customary confidentiality restrictions in such Person's reasonable determination, the subject matter of this Agreement and the financial return and other financial performance, statistical information or other similar information in connection with fundraising, marketing, informational or reporting activities to or of such funds or affiliated investment vehicles and to the partners, members, other Representatives or other current or prospective investors therein.

Section 6.7 Confidentiality. Investor and Progress Energy each reaffirm and shall fulfill their obligations under the Confidentiality Agreement. For the avoidance of doubt, the Confidentiality Agreement shall continue in full force and effect regardless of any termination of this Agreement; provided, however, that, notwithstanding anything in the Confidentiality Agreement, Investor and any of its Representatives may disclose (a) this Agreement, the subject matter of this Agreement and the financial return and other financial performance, statistical

information or other similar information in connection with (x) fundraising, marketing, informational or reporting activities to or of such funds or affiliated investment vehicles and to the partners, members, other Representatives or other current or prospective investors therein and (y) subject to customary confidentiality restrictions in such Person's reasonable determination, the Debt Financing or the Equity Financing, (b) financial information concerning the Group Companies, including any financial models prepared in connection with the Transactions, to the extent reasonably necessary or advisable in connection with any Required Approvals and, subject to customary confidentiality restrictions in such Person's reasonable determination, the First Closing Equity Financing, the Subsequent Closing Equity Financing or the Debt Financing and (c) such other information with respect to the Group Companies to which the terms of the Confidentiality Agreement apply, in connection with the Debt Financing or the Equity Financing, subject to customary confidentiality restrictions in such Person's reasonable determination; provided, further, that after the First Closing, to the extent that the A&R LLC Agreement contains provisions that govern the confidential treatment of any information, the Confidentiality Agreement shall no longer apply to such information and all matters with respect to such information shall be governed by the A&R LLC Agreement.

Section 6.8 Notice of Certain Events. Progress Energy shall provide Investor with notice of any Additional Capital Investment with a description of the uses therefor reasonably promptly following the date of any such Additional Capital Investment.

Section 6.9 Access to Information. Progress Energy shall, and shall cause the Group Companies to, afford to Investor and its Representatives reasonable access, upon reasonable notice during normal business hours during the period before the First Closing, to all the personnel, properties, books, contracts, commitments, records and financial, operating and other data of the Group Companies and, during such period, shall furnish promptly to Investor any information concerning the Group Companies as Investor may reasonably request; provided that such access does not unreasonably interfere with the normal operations of any of the Group Companies. Nothing set forth in this Agreement shall require Progress Energy to, or to cause any Group Company to, (a) allow Investor and its Representatives to, and Investor and its Representatives shall not, conduct any invasive environmental sampling, testing or investigation at any of the facilities or properties of the Group Companies without the prior written consent of Progress Energy (but the foregoing shall not preclude Investor from conducting any visual, non-invasive environmental site assessment or from receiving any other environmental information in the possession of and concerning the Group Companies as Investor may reasonably request), (b) provide Investor and its Representatives with any information regarding Progress Energy or its Affiliate's businesses, assets, financial performance or condition or operations not involving the Group Companies, (c) provide Investor and its Representatives any record or information relating to any joint, combined, consolidated or unitary Tax Return that includes Duke or any of its Subsidiaries (other than the Group Companies) (or any supporting work papers or other documentation related thereto), so long as Investor receives a pro forma income Tax Return or comparable documentation or material Tax information that relates solely to the income and operations of the Company or its Subsidiaries or (d) provide access to or disclose information where such access or disclosure would jeopardize any attorney-client privilege otherwise applicable with respect to such information or contravene any Law or binding agreement with any party that is not an Affiliate of Duke entered into prior to the Agreement Date by the Company providing such information; provided, however, that Progress Energy shall use its reasonable

efforts to provide such access and disclose such information in a manner that would not jeopardize such attorney-client privilege or violate such Law or agreement.

Section 6.10 Intercompany Transactions; Affiliate Contracts. From the Agreement Date until the First Closing, Duke and Progress Energy shall, and shall cause the Group Companies to, conduct and make all Intercompany Transactions in compliance in all material respects with the terms of the Affiliate Contracts and Affiliate Guidelines, as applicable.

Section 6.11 Financing.

(a) Investor shall use its reasonable best efforts to take, or cause to be taken, all actions and do, or cause to be done, all things reasonably necessary, proper or advisable to obtain the Debt Financing and to consummate the Debt Financing on the First Closing Date, including using reasonable best efforts to (i) negotiate, execute and deliver definitive agreements (such definitive agreements being referred to as the "Debt Financing Agreements") with respect to the Debt Financing on the terms and conditions contained in the Debt Financing Commitment Letters (including any "market flex" provisions applicable thereto) or, if available, on other terms and conditions that are acceptable to Investor in lieu of the Debt Financing contemplated under the Debt Financing Commitment Letters; provided that such other terms and conditions would not and would not reasonably be expected to (A) reduce the aggregate amount of net proceeds of the Debt Financing (including by increasing the amount of fees to be paid or original issue discount), unless accompanied by, in a corresponding amount (x) an increase in the commitment under the BSIP Equity Commitment Letter or (y) the provision of cash or other sources of immediately available funds accessible to Investor or (B) add, expand or otherwise modify the conditions precedent or contingencies to the funding of the Debt Financing if such additions, expansions or modifications would or would reasonably be expected to (x) make less likely the funding of the Debt Financing (or satisfaction of the conditions precedent to the funding of the Debt Financing) on or prior to the First Closing Date, (y) adversely affect the ability of Investor to timely consummate the Transactions or (z) adversely impact the ability of Investor to enforce its rights against any other party to any of the Debt Financing Commitment Letters or the Debt Financing Agreements, (ii) satisfy on a timely basis or obtain the waiver of all conditions applicable to Investor in the Debt Financing Commitment Letters, (iii) maintain in full force and effect the Debt Financing Commitment Letters in accordance with the terms thereof and not cancelling any commitments thereunder (subject to Investor's right to replace, restate, supplement, modify, substitute, waive or amend the Debt Financing Commitment Letters in accordance with this Section 6.11), (iv) in the event that all conditions in each Debt Financing Commitment Letter have been satisfied or waived or, substantially concurrently with funding would be satisfied or waived, draw down upon and consummate the Debt Financing required for the First Closing and (v) paying all commitment or other fees and other amounts that become due and payable under or with respect to the Debt Financing Commitment Letters or otherwise with respect to the Debt Financing as they become due and payable.

(b) Investor shall, promptly following the request of the Company, keep the Company reasonably informed with respect to the status of its efforts to arrange the Debt Financing, including advising and updating the Company, in a reasonable level of detail, with respect to status and proposed closing date of the Debt Financing. Without limiting the generality of the foregoing, Investor agrees to notify the Company promptly (i) if the commitments with

respect to all or any portion of the Debt Financing shall expire or otherwise become unavailable or be terminated for any reason, (ii) of a breach, default, termination or repudiation (or alleged or purported breach, default, termination or repudiation) by any party to the Debt Financing Commitment Letters of which Investor becomes aware, including any Debt Financing Source notifying Investor in writing that such Debt Financing Source (or its applicable Affiliate) no longer intends to provide financing to Investor on the terms set forth therein or Investor receiving any notice, or other communication with respect to, any actual or threatened breach, default, termination or repudiation by any party to any Debt Financing Commitment Letter or (iii) if Investor has concluded in good faith that it will not be able to obtain, on or prior to the First Closing Date, all or any portion of the Debt Financing contemplated by the Debt Financing Commitment Letters (each of the foregoing, a "Debt Financing Failure Event").

(c) Investor shall have the right from time to time to amend, replace, supplement or otherwise modify, or waive any of its rights under, any Debt Financing Commitment Letter (including replacements of any Debt Financing Commitment Letter in connection with any other financing issued or incurred in lieu of all or a portion of any bridge facility contemplated by the Debt Financing Commitment Letter); provided, however, that Investor shall not, without the prior written consent of the Company, agree to, or permit, any amendment, restatement, replacement, substitution, supplement or other modification of, or waiver or consent under, the Debt Financing Commitment Letters, any Debt Financing Agreement or any other documentation relating to the Debt Financing if such amendment, restatement, replacement, substitution, supplement or other modification of, or waiver or consent would or would reasonably be expected to (i) reduce the aggregate amount of net proceeds of the Debt Financing (including by increasing the amount of fees to be paid or original issue discount) unless accompanied by, in a corresponding amount, (x) an increase in the commitment under the BSIP Equity Commitment Letter or (y) the provision of cash and/or other sources of immediately available funds accessible to Investor, (ii) add, expand or otherwise modify the conditions precedent or contingencies to the funding of the Debt Financing if such additions, expansions or modifications would or would reasonably be expected to (x) make less likely the funding of the Debt Financing (or satisfaction of the conditions precedent to the funding of the Debt Financing) on or prior to the First Closing Date, (y) adversely affect the ability of Investor to timely consummate the Transactions or (z) adversely impact the ability of Investor to enforce its rights against any other party to any of the Debt Financing Commitment Letters or the Debt Financing Agreements; provided that Investor may amend the Debt Financing Commitment Letters to add initial lenders, lead arrangers, bookrunners, syndication agents or other similar roles of comparable creditworthiness that had not executed the Debt Financing Commitment Letters as of the Agreement Date to the extent doing so would not impose new, modified or additional conditions or expand any existing conditions to the amount, receipt or availability of the Debt Financing or result in any amendments to the Debt Financing Commitment Letters that would not otherwise be permitted without the Company's consent. Upon any such replacement, amendment, supplement or other modification of, or waiver under, any Debt Financing Commitment Letter in accordance with this Section 6.11, the terms "Debt Financing" and "Debt Financing Commitment Letters" shall mean the Debt Financing contemplated by such Debt Financing Commitment Letter as so replaced, substituted, amended, supplemented, modified or waived and such Debt Financing Commitment Letter as so replaced, amended, supplemented, modified or waived, respectively.

(d) If any Debt Financing Failure Event occurs, Investor shall, as promptly as practicable following the occurrence of such event, (i) notify the Company thereof and the reason therefor and (ii) use its reasonable best efforts to arrange and obtain from the same or alternative Debt Financing Sources, alternative financing on terms and conditions not materially more adverse (in the aggregate) to the Investor than those contained in the Debt Financing Commitment Letters and in an amount sufficient to enable Investor to consummate the Transactions and to pay the Investor Required Amount ("Alternative Financing"). In such event, the term "Debt Financing" as used in this Agreement shall be deemed to include any Alternative Financing, and the term "Debt Financing Commitment Letters" as used in this Agreement shall be deemed to include the commitment letter(s) with respect to such Alternative Financing. Investor shall promptly provide the Company with a correct and complete copy of any commitment letter and any related fee letter (or similar agreements) relating to such Alternative Financing (provided that such agreements may be customarily redacted to remove terms regarding fee amounts, original issue discount, pricing provisions, market flex and other economic terms if required by such Debt Financing Sources; provided, further, that none of the redacted terms would or would reasonably be expected to (x) adversely affect or delay the availability of the Alternative Financing or (y) adversely affect the conditionality, availability or aggregate principal amount of the Alternative Financing).

(e) Except as otherwise permitted pursuant to this Section 6.11, neither Investor nor any of its Affiliates shall take any action that would reasonably be expected to materially impair, delay or prevent the consummation of the Debt Financing.

(f) Progress Energy and the Company shall cooperate with Investor and participate alongside Investor in pursuing any approval or consent from any applicable Governmental Authority required in connection with any effort by Investor to obtain equity financing, the proceeds of which will be used to consummate the transactions contemplated hereby, including any Subsequent Closing (the "Equity Financing"); provided, however, that (i) Investor shall not make any filings other than the Investor Required Approvals in connection with the foregoing, and in no event shall Investor, Progress Energy or the Company be required to, in connection with the foregoing, and Investor shall not take any action in connection with the foregoing that would require Investor, Progress Energy or the Company to, make any amendment or modification to any application, notice, petition or filing previously submitted to such applicable Governmental Authority pursuant to Section 6.3 prior to the First Closing and (ii) for the avoidance of doubt, Investor's receipt of any Equity Financing is not a condition precedent to any Closing.

Section 6.12 Financing Cooperation.

(a) In connection with any contemplated obtainment of Debt Financing, prior to the First Closing, or any Equity Financing prior to the Subsequent Closing End Date, in each case, at Investor's expense, the Company shall use reasonable best efforts to, and shall cause the other Group Companies to use reasonable best efforts to (and shall use reasonable best efforts to cause its Representatives to provide) to Investor (at Investor's sole expense) such cooperation as may be reasonably required by Investor to assist it in arranging and obtaining the Debt Financing, subject to Section 6.12(b), and any Equity Financing. Such cooperation may include: (i) with respect to the Debt Financing, participation with prospective lenders and with rating agencies in a reasonable number (at reasonable times and locations mutually agreed and with reasonable advance notice) (it being understood that any such meeting may take place via videoconference or

web conference at the Company's option) of meetings, drafting sessions, calls, roadshows, due diligence sessions (including accounting due diligence sessions) and presentations, including direct contact between senior management of the Company and the Group Companies (and using commercially reasonable efforts, to provide access to non-legal advisors), on the one hand, and the actual and potential Debt Financing Sources, on the other hand, (ii) with respect to the Debt Financing, assisting Investor in preparing materials for rating agency presentations, credit agreements, indentures, offering documents, prospectuses, bank and investor information memoranda, syndication documents and materials, lender presentations, investor presentations, other marketing documents and materials and similar documents reasonably and customarily used in connection with the Debt Financing, (iii) to the extent required by the Debt Financing Sources, providing customary authorization letters authorizing the distribution of information to prospective Debt Financing Sources, subject to customary terms and conditions, including that the Company and its Affiliates shall not have any Liability of any kind or nature resulting from the use of information contained in such marketing information materials or otherwise in all activity undertaken in connection with the syndication or other marketing of the Debt Financing, (iv) with respect to the Debt Financing, reasonably assisting in obtaining credit ratings, and (v) at least fifteen (15) Business Days prior to the applicable Closing, providing all documentation and other information about the Company and the Group Companies that is required by regulatory authorities under applicable "know your customer" and anti-money laundering laws, rules and regulations, including the USA PATRIOT Act, and beneficial ownership Laws, including a beneficial ownership certification in relation to the Company, to the extent requested by the Investor at least twenty-five (25) Business Days prior to the applicable Closing.

(b) Nothing in this Section 6.12 will require the Company or any Group Company or their Representatives to (i) pay any fee or incur any other Liability in connection with the Debt Financing; (ii) waive or amend any terms of this Agreement or agree to pay or reimburse any expenses for which it has not received prior reimbursement or is not otherwise indemnified on behalf of Investor; (iii) approve, execute or deliver any definitive agreement (including any Debt Financing Agreement, including any certificate (including any solvency certificate)), instrument, agreement or other documentation or agree to any change or modification of any existing certificate, instrument, agreement or other documentation (other than signing customary authorization letters and other documents expressly contemplated in Section 6.12(a)); (iv) give any indemnities in connection with the Debt Financing; (v) take any action that, in the good faith determination of the Company, would unreasonably interfere with the conduct of the business or operations of the Company and its Affiliates or create an unreasonable risk of damage or destruction to any property or assets of the Company or any of its Affiliates; (vi) adopt resolutions (whether by the board of directors of the Company or otherwise) approving the definitive agreements, documents and instruments pursuant to which the Debt Financing is obtained; (vii) provide any assistance or cooperation that would or would reasonably be expected to (A) cause any representation or warranty in this Agreement to be breached (or to not be true and current) or (B) cause any conditions to the First Closing set forth in Article VII to fail to be satisfied by the Termination Date or otherwise result in a breach of this Agreement; (viii)(1) provide any financial (or other information) that cannot be produced or provided without unreasonable cost or expense, (2) prepare financial statements or financial metrics which any Group Company has not historically prepared, including standalone financial statements, (3) provide any financial projections or pro forma financial statements or (4) provide any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty-five (45) days (or

ninety (90) days in the case of a fiscal year-end) prior to the date of such request; (ix) take any action that would conflict with, violate or result in a breach of or default (with or without notice, lapse of time or both) under its organizational documents or any contract or law (including with respect to privacy of employees) to which it or its property (or its Affiliates or their respective properties) is bound; (x) provide access to or disclose information that the Company determines in good faith would jeopardize any attorney client privilege of, or conflict with any confidentiality requirements (not created in contemplation of avoiding such disclosure) applicable to, the Company or any of its Affiliates, (xi) cause or be reasonably expected to cause any Representative of the Company to incur any personal Liability, or (xii) deliver or cause the delivery of any legal opinions or reliance letter. In addition, any bank information memoranda and high-yield offering prospectuses or memoranda required in relation to the Debt Financing will contain disclosure reflecting Investor or one or more Affiliates of Investor as the obligor. Investor shall promptly, upon request by the Company (and in any event within ten (10) Business Days of such request), reimburse the Company for all reasonable and documented out-of-pocket fees, costs and expenses incurred by the Company or any of its Affiliates or their Representatives (including reasonable and documented attorneys' fees and expenses and accountants' fees and expenses) actually incurred in connection with its cooperation contemplated by this Section 6.12.

(c) The Company and Progress Energy hereby consent to the customary use of the Group Companies' logos in connection with the Debt Financing; provided, however, that Investor shall ensure that such logos are used solely in a manner that is not intended to or reasonably likely to harm or disparage the Group Companies or the Group Companies' reputation or goodwill and will comply with the Group Companies' reasonable usage requirements and that they have been made available to Investor.

(d) The Parties acknowledge and agree that the provisions contained in this Section 6.12 represent the sole obligation of the Company, the Group Companies and their Representatives with respect to any financing (including the Debt Financing) to be obtained by Investor.

(e) Notwithstanding anything in this Agreement to the contrary, in no event shall the receipt by, or availability to, Investor of any funds or financing or any other financing transaction (including the Debt Financing or the Equity Financing) be a condition to Investor's obligation to effect any Closing.

(f) Notwithstanding anything to the contrary, the condition set forth in Section 7.2(b), as it applies to obligations of the Company and its Representatives under this Section 6.12, shall be deemed satisfied unless (i) Investor has used reasonable efforts to obtain, but has not obtained, the Debt Financing and (ii) the Company's or any Group Company's gross negligence or willful and material breach of its obligations under this Section 6.12 was a proximate cause of the failure of Investor to obtain the Debt Financing.

Section 6.13 Use of Proceeds. From and after the First Closing and until the earlier to occur of (x) the Subsequent Closing End Date and (y) the final Subsequent Closing pursuant to which, immediately thereafter, Investor will own the aggregate Acquired Interests, the Company shall not use the proceeds of any Closing to:

(a) declare or pay any dividend or make any payment or distribution on account of the Company Membership Interests;

(b) purchase, redeem, defease or otherwise acquire or retire for value any Company Membership Interest or Debt of any direct or indirect parent company of the Company, including in connection with any merger or consolidation; or

(c) make, or permit any of its Subsidiaries to make, any loans to any direct or indirect parent company of the Company or any other Person (including, for the avoidance of doubt, through a funding into a "utility money pool arrangement", by means of the cash management policies of the Duke Consolidated Group or otherwise).

ARTICLE VII

CONDITIONS

Section 7.1 Conditions to Obligations of Investor, Progress Energy and the Company. The obligations of Investor, Progress Energy and the Company hereunder to consummate the Transactions at each Closing are subject to the satisfaction, at or before such Closing, of the following conditions (all or any of which may be waived in whole or in part by mutual agreement of the Parties in their sole discretion):

(a) Orders. No temporary restraining order, preliminary or permanent injunction or other Order shall be in effect that enjoins, prohibits or otherwise prevents, or purports to enjoin, prohibit or otherwise prevent, the consummation of the Transactions contemplated at such Closing; and

(b) Laws. No Law shall have been enacted or shall be deemed applicable to the Transactions after the Agreement Date which makes the consummation of the Transactions illegal or prevents, or purports to enjoin, prohibit or otherwise prevent, the Transactions contemplated at such Closing from occurring.

Section 7.2 Conditions to Obligations of Investor. The obligation of Investor hereunder to consummate the Transactions with respect to each Closing (except as expressly noted as applicable only to the First Closing or Subsequent Closings) is subject to the satisfaction, at or before such Closing, of each of the following conditions (all or any of which may be waived in whole or in part by Investor in its sole discretion, with the exception of Section 7.2(d) with respect to the First Closing, which may be waived in whole or in part by the Party or Parties in their sole discretion to whom such Burdensome Condition affects):

(a) Representations and Warranties. (A) Each of the Fundamental Representations made by Duke or Progress Energy in this Agreement (other than the representations and warranties in Section 4.6(f) and Section 4.14) qualified as to materiality shall be true and correct in all material respects and not so qualified as to materiality shall be true and correct in all respects except for such inaccuracies as are de minimis in nature and amount relative to such representation and warranty taken as a whole, in each case, as of such Closing as if made on and as of such Closing (except to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties qualified as to

materiality shall have been true and correct in all material respects as of such earlier date and not so qualified as to materiality shall have been true and correct in all respects except for such inaccuracies as are de minimis in nature and amount as of such earlier date, as applicable), (B) each of the representations and warranties made by Progress Energy in Section 4.6(e), Section 4.6(f), Section 4.14, Section 4.18 and Section 4.20 shall be true and correct in all material respects as of such Closing as if made on and as of such Closing and (C) each of the other representations and warranties made by Duke or Progress Energy in this Agreement shall be true and correct in all respects as of such Closing as if made on and as of such Closing, except, (1) in each case, to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct in all respects as of such earlier date, and (2) to the extent that any and all failures of such representations and warranties to be so true and correct in all respects, taken as a whole, would not reasonably be expected to have a Material Adverse Effect on Duke, Progress Energy or the Group Companies; provided, however, that, for purposes of determining the satisfaction of the condition in clause (B) and clause (C), no effect shall be given to any limitation or qualification as to materiality or Material Adverse Effect in such representations and warranties;

(b) Performance. Each of Duke, Progress Energy and the Company shall have performed or complied in all material respects with all obligations and covenants required by this Agreement to be performed or complied with by it at or prior to such Closing;

(c) No Material Adverse Effect. With respect to the First Closing, since the Agreement Date, or with respect to any Subsequent Closing, since the immediately preceding applicable Subsequent Closing Date, no Material Adverse Effect on Duke, Progress Energy or the Group Companies shall have occurred;

(d) Approvals. With respect to the First Closing only, the Parties shall have obtained the Required Approvals without any Burdensome Condition;

(e) Deliveries at the Closing. Each of Progress Energy and the Company shall have executed and delivered (or caused to be executed and delivered) to Investor all agreements and other documents required to be executed and delivered by it to Investor pursuant to Section 2.2 at or prior to the applicable Closing; and

(f) Put Triggering Event. With respect to each Subsequent Closing only, no "Put Triggering Event" (as defined in the A&R LLC Agreement) shall have occurred (and not been deemed ineffective pursuant to the last sentence of Section 7.3(c) of the A&R LLC Agreement) in accordance with the A&R LLC Agreement.

Section 7.3 Conditions to Obligations of Progress Energy and the Company. The obligation of Progress Energy and the Company hereunder to consummate the Transactions with respect to each Closing (except as expressly noted as applicable only to the First Closing or Subsequent Closings) is subject to the satisfaction, at or before the such Closing, of each of the following conditions (all or any of which may be waived in whole or in part by Progress Energy

in its sole discretion, with the exception of Section 7.3(c) which may be waived in whole or in part by the Party or Parties in their sole discretion to whom such Burdensome Condition affects):

(a) Representations and Warranties. (A) Each of the Fundamental Representations made by Investor in this Agreement qualified as to materiality shall be true and correct in all material respects and not so qualified as to materiality shall be true and correct in all respects except for such inaccuracies as are de minimis in nature and amount relative to such representation and warranty taken as a whole, in each case, as of such Closing as if made on and as of such Closing (except to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties qualified as to materiality shall have been true and correct in all material respects as of such earlier date and not so qualified as to materiality shall have been true and correct in all respects except for such inaccuracies as are de minimis in nature and amount as of such earlier date, as applicable), (B) each of the representations and warranties made by Investor in Section 5.11 shall be true and correct in all material respects as of the First Closing only as if made on and as of the First Closing only and (C) each of the other representations and warranties made by Investor in this Agreement shall be true and correct in all respects as of such Closing as if made on and as of such Closing, except, (1) in each case, to the extent that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct in all respects as of such earlier date, and (2) to the extent that any and all failures of such representations and warranties to be so true and correct in all respects, taken as a whole, would not reasonably be expected to have a material adverse effect on the ability of Investor to consummate the Transactions or to perform its obligations under this Agreement; provided, however, that, for purposes of determining the satisfaction of the condition in clause (B), no effect shall be given to any limitation or qualification as to materiality or material adverse effect in such representations and warranties;

(b) Performance. Investor shall have performed or complied in all material respects with all obligations and covenants required by this Agreement to be performed or complied with by Investor at or prior to such Closing;

(c) Approvals. With respect to the First Closing only, the Parties shall have obtained the Required Approvals without any Burdensome Condition; and

(d) Deliveries at Closing. Investor shall have executed and delivered (or caused to be executed and delivered) to Progress Energy or the Company, as applicable, all agreements and other documents required to be executed and delivered to Progress Energy or the Company pursuant to Section 2.2 at or prior to the applicable Closing, and Investor shall have made the payments required to be made by Investor at the applicable Closing.

ARTICLE VIII

TERMINATION

Section 8.1 Termination. This Agreement may be terminated and the Transactions may be abandoned at any time prior to the First Closing upon ten (10) days written notice of such termination to the other Party specifying the provision hereof pursuant to which such termination

is made (except with respect to Section 8.1(a) which shall be effective immediately upon execution of such mutual written consent):

(a) by mutual written consent of Investor and Progress Energy;

(b) by Investor or Progress Energy if the First Closing has not occurred on or prior to the nine (9) month anniversary of the Agreement Date (the "Termination Date"); provided, however, that if the sole reason that the First Closing has not occurred is that a consent or approval required by Section 7.2(d) and Section 7.3(c) has not been obtained on or prior to such date, such date shall automatically be extended by six (6) months (the end of such six-month extension period shall then be the "Termination Date"); provided, further, that the right to terminate this Agreement under this Section 8.1(b) shall not be available to any Party whose breach of a representation, warranty, covenant or agreement under this Agreement has been the primary cause of the failure of the First Closing to occur on or before such date (it being understood and agreed that, in the case of the Investor, a failure to obtain the Debt Financing on or before the Termination Date despite compliance by Investor in all material respects with the requirements of Section 6.11 hereof shall not, in and of itself, constitute a breach of this Agreement);

(c) by Investor prior to the First Closing if (i) Duke, Progress Energy or the Company shall have breached or failed to perform any of the representations, warranties, covenants or agreements contained in this Agreement to be complied with by Duke, Progress Energy or the Company, as applicable, which would result in the failure of any applicable closing condition set forth in Section 7.1 or Section 7.2 to be satisfied or, if such breach or failure is capable of being cured, it shall not have been cured within the earlier of (x) thirty (30) days following receipt by Progress Energy of notice of such breach or failure from Investor and (y) the Termination Date;

(d) by Progress Energy prior to the First Closing if (i) Investor shall have breached or failed to perform any of the representations, warranties, covenants or agreements contained in this Agreement to be complied with by Investor which would result in the failure of any applicable closing condition set forth in Section 7.1 or Section 7.3 to be satisfied or, if such breach or failure is capable of being cured, it shall not have been cured within the earlier of (x) thirty (30) days following receipt by Investor of notice of such breach or failure from Progress Energy and (y) the Termination Date;

(e) by Investor or Progress Energy prior to the First Closing if a Governmental Authority shall have issued an Order or instituted an Action or Proceeding, in either case, having the effect of restraining, enjoining or otherwise prohibiting, or attempting to restrain, enjoin or otherwise prohibit, the Transactions and such Order shall become final and non-appealable or such Action or Proceeding shall have become final and non-appealable; provided that the right to terminate this Agreement under this Section 8.1(e) shall not be available to any Party whose action, or failure to fulfill any obligation under this Agreement has been the primary cause of such Order or Action or Proceeding; or

(f) by Progress Energy if on or after the date on which the First Closing is required to occur under Section 2.2 (i) all of the applicable conditions set forth in Section 7.1 and Section 7.2 have been satisfied or waived (other than those conditions that by their nature are to

be satisfied at the First Closing; provided that such conditions are capable of satisfaction or have been waived as of such date), (ii) Progress Energy has irrevocably confirmed in writing to Investor that (A) all applicable conditions in Section 7.1 and Section 7.3 have been satisfied or waived (other than those conditions that by their nature are to be satisfied at the First Closing, but subject to the satisfaction or waiver of such conditions) and (B) Progress Energy and the Company stand ready, willing and able to consummate the First Closing pursuant to Section 2.2 and (iii) Investor has failed to consummate the First Closing by 5:00 pm on the fourth (4th) Business Day following the receipt of such written notice and Progress Energy and the Company stood ready, willing and able to consummate the First Closing throughout such period following reasonable advance notice from Investor of the expected occurrence of the First Closing.

Section 8.2 Effect of Termination.

(a) If this Agreement is validly terminated pursuant to Section 8.1, this Agreement will forthwith become null and void, except that the provisions of, and the obligations of the Parties under, Section 6.2(a), Section 6.7, this Section 8.2, Article X and the applicable portions of Article I will continue to apply in full force and effect following any termination, and there will be no Liability on the part of Duke, Progress Energy, the Company or Investor (or any of their respective Representatives or Affiliates) in respect of this Agreement except as provided in this Section 8.2.

(b) Notwithstanding Section 8.2(a) or any other provision in this Agreement to the contrary, in the event that this Agreement is (i) validly terminated by Progress Energy pursuant to Section 8.1(d) or Section 8.1(f) or (ii) otherwise by either Progress Energy or Investor at a time when this Agreement was permitted to be terminated by Progress Energy pursuant to Section 8.1(d) or Section 8.1(f), then Investor shall pay or cause to be paid to Progress Energy the Reverse Termination Fee by wire transfer of immediately available funds within ten (10) Business Days following such termination to such account designated in writing by Progress Energy provided, however, that, if Investor fails to pay the Reverse Termination Fee when due, (A) Investor shall additionally pay or cause to be paid to Progress Energy interest on the amount of the Reverse Termination Fee from the date such payment was required to be made until the date of payment at the prime lending rate as published in the Wall Street Journal in effect on the date such payment was required to be made, plus six percent (6%) and (B) if, in order to obtain such payment, Progress Energy commences an Action or Proceeding that results in a judgment against BSIP or Investor, Investor shall reimburse Progress Energy for its reasonable and documented out-of-pocket costs and expenses (including reasonable and documented out-of-pocket attorneys' fees and expenses) incurred in connection with such Action or Proceeding. Any amount that becomes payable pursuant to this Section 8.2(b) shall be paid by wire transfer of immediately available funds to an account or accounts that have been designated by Progress Energy. In no event shall Duke, Progress Energy, the Group Companies or any of their respective Affiliates seek or be entitled to multiple, special, punitive, exemplary, incidental, consequential or indirect Losses against any Investor Related Party or any recovery, judgment or Losses of any kind against any Investor Related Party in excess of such amounts, to the extent paid.

(c) Notwithstanding anything to the contrary in this Agreement, subject to Section 10.10, if this Agreement is terminated under circumstances in which Investor is required to pay the Reverse Termination Fee, the right of Progress Energy to terminate this Agreement and

receive the payment of the Reverse Termination Fee shall be Duke's, Progress Energy's, the Group Companies' and their respective Affiliates' sole and exclusive remedy against Investor (including BSIP, BAM and the Debt Financing Sources), any of their respective Affiliates and Representatives, (each an "Investor Related Party") for any Loss, damage or recovery of any kind (including consequential, indirect or punitive damages, and whether at Law, in equity or otherwise) arising under or in connection with this Agreement and the other Transaction Documents or otherwise in connection with the Transactions. Upon payment in full of the Reverse Termination Fee, (i) no Investor Related Party shall have any further Liability or obligation relating to or arising out of this Agreement, any of the other Transaction Documents, or the Transactions (or the abandonment or termination hereof or thereof), (ii) neither Progress Energy nor any of its respective Affiliates (including the Company) shall be entitled to bring or maintain any suit or Action or Proceeding against any Investor Related Party arising out of or in connection with this Agreement, any other Transaction Document or the Transactions (or the abandonment or termination hereof or thereof) or any matters forming the basis for such termination, (iii) Progress Energy shall cause any suit or Action or Proceeding initiated thereby in connection with this Agreement, the other Transaction Documents or the Transactions (or the abandonment or termination hereof or thereof), solely to the extent maintained by Progress Energy or any of its Affiliates against any Investor Related Party, to be dismissed with prejudice promptly, and in any event within five (5) Business Days after the payment of the Reverse Termination Fee and (iv) the maximum aggregate Liability of the Investor Related Parties to Duke, Progress Energy, the Group Companies and their respective Affiliates that may be based on, arise out of or related to this Agreement or the Transactions shall not exceed the Reverse Termination Fee (including any interest payable thereon or reimbursable expenses related thereto pursuant to Section 8.2(b)) less any portion of the Reverse Termination Fee that is actually paid by or on behalf the Investor. Progress Energy shall not be entitled to collect the Reverse Termination Fee on more than one occasion. While Progress Energy may pursue both a grant of specific performance to the extent permitted by Section 10.10 and the payment of the Reverse Termination Fee, under no circumstance shall Progress Energy be permitted or entitled to receive both a grant of specific performance to require the consummation of the First Closing pursuant to Section 10.10 and payment of the Reverse Termination Fee pursuant to Section 8.2(b) The Parties acknowledge and agree that the Investor Related Parties are intended third-party beneficiaries of this Section 8.2(c).

(d) Each Party acknowledges that (i) the agreements contained in Section 8.2 are an integral part of the transactions contemplated by this Agreement and that, without these agreements, such Party would not enter into this Agreement and (ii) any amounts payable pursuant to Section 8.2(b) do not constitute a penalty.

(e) Notwithstanding anything to the contrary in this Agreement, nothing in this Section 8.2 shall relieve a Party from Liability for any Willful Breach of, or Fraud in connection with, this Agreement occurring prior to such termination; provided, however, that in the case of the Investor and any Investor Related Party, such Liability shall be limited to the extent set forth in this Section 8.2.

ARTICLE IX

INDEMNIFICATION AND REMEDIES

Section 9.1 General.

(a) The Company shall defend, indemnify and hold harmless Investor, and Investor shall defend, indemnify and hold harmless Progress Energy (the applicable indemnifying party, the "Indemnitor"), including, in the case of each non-indemnifying Party, such Party's Affiliates and their respective Representatives, successors and assigns (each, an "Indemnified Party," with each Party and its respective group of Indemnified Parties being referred to collectively as an "Indemnified Group") from and against any Loss suffered or incurred by any Indemnified Party (which, with respect to Investor, shall include any Loss suffered or incurred by the Group Companies) to the extent arising out of, or resulting from (i) the inaccuracy of any representation or warranty of such Indemnitor (or its applicable Affiliate) contained in this Agreement (other than with respect to the Fundamental Representations, determined as of the First Closing, and, in any case, without duplication of any amounts paid under Section 6.2(e)) or any Ancillary Agreement, (ii) the breach or default by such Indemnitor (or its applicable Affiliate) of any covenant or agreement of such Indemnitor (or its applicable Affiliate) contained in this Agreement or any Ancillary Agreement, or (iii) any Liability related to or resulting from the ownership or operation of the Crystal River 3 nuclear power plant, inclusive of any associated spent fuel and storage facilities therefor, by a Group Company.

(b) Duke and Progress Energy shall, jointly and severally defend, indemnify and hold harmless Investor, the other members of Investor's Indemnified Group and the Group Companies from and against any Loss (which, with respect to Investor, shall include any Loss suffered or incurred by the Group Companies) suffered or incurred by any such Person to the extent arising out of, or resulting from, (i) any Liability of (A) Duke or (B) Affiliates of Duke other than the Group Companies, in each case arising out of or resulting from their business, Assets, Contracts, operations or transactions, whether arising before on or after the Agreement Date, excluding any Liability of (1) Duke or (2) Affiliates of Duke other than the Group Companies to the extent arising out of or resulting from the business, Assets, Contracts, operations or transactions of the Group Companies, (ii) any cash Taxes or any reduction in amounts payable to any of the Group Companies pursuant to the Tax Sharing Agreement, in each case attributable to the acceleration of any deferred intercompany gain of a Group Company pursuant to Treasury Regulations Section 1.1502-13 resulting from a transaction entered into prior to the First Closing (but only to the extent such Taxes have not already been paid by the Group Company under the Tax Sharing Agreement in connection with the creation of the deferred intercompany gain) as a result of the deconsolidation of such Group Company from the Duke Consolidated Group, unless such deconsolidation results from (A) a sale or other transfer of 100% of the interests in such Group Company or (B) any action taken by or at the direction of Investor; provided, that, for the avoidance of doubt, the calculation of such Taxes shall reflect the cost of the timing differences relating to the relevant income and loss items taken into account as a result of the deconsolidation event (as compared to if the deconsolidation event had not occurred), (iii) any Taxes for which a Group Company may be liable pursuant to Treasury Regulations Section 1.1502-6 or similar provisions of state, local or foreign Law as a result of being or having been a member of a combined, consolidated, unitary or similar group that includes one or more entities other than the

Group Companies, (iv) any Controlled Group Liabilities with respect to any ERISA Affiliate, whether incurred or accrued before or after the First Closing Date.

(c) Investor shall defend, indemnify and hold harmless Progress Energy's Indemnified Group from and against any Loss suffered or incurred by such Person to the extent arising out of, or resulting from the arrangement and completion of any Debt Financing, capital markets transactions or related transactions by Investor in connection with financing the Transactions and any information utilized in connection therewith (except to the extent such Loss (i) arose out of or resulted from the willful misconduct or gross negligence of such Person) or (ii) arose out of or resulted from the breach of any of the obligations of a member of Progress Energy's Indemnified Group under this Agreement.

(d) Duke and Progress Energy shall, severally and not jointly, defend, indemnify and hold harmless the Company from and against any Loss suffered or incurred by the Company as a result of any payments required to be made by the Company in connection with the Company's obligations pursuant to Section 9.1(a).

Section 9.2 Period for Making Claims. No claim under Sections 9.1(a)(i) or 9.1(a)(ii) may be made unless such Party shall have delivered a Claim Notice with respect to such claim for breach of a representation or warranty or covenant or agreement prior to the expiration of the applicable Survival Period.

Section 9.3 Limitations on Indemnification.

(a) With respect to any claim for indemnification arising from any breach or inaccuracy of any representations and warranties other than Fundamental Representations or Tax Representations, each Party's liability under Section 9.1(a)(i) shall be limited to an amount equal to ten percent (10%) of the amount of the Purchase Price that has been paid by Investor at the time such claim for indemnification is finally resolved pursuant to this Article IX (at such applicable time, the "Indemnity Cap"); provided that, if a Party's liability with respect to one or more claims for indemnification has been limited by the Indemnity Cap at any time, and the Indemnity Cap is increased as a result of Investor's payment of additional Purchase Price, then such Party shall be required to pay for such unpaid claims in accordance with this Article IX, subject to such increased Indemnity Cap. As to any claim for indemnification for a breach or inaccuracy of any Fundamental Representation or Tax Representations, each Party's liability under this Article IX shall be limited to the amount of the Purchase Price that has been paid by Investor at the time such claim for indemnification is finally resolved pursuant to this Article IX (not to exceed, in the aggregate, the Purchase Price); provided that, if a Party's liability with respect to one or more claims for indemnification has been limited by this sentence at any time, and Investor pays additional Purchase Price, then such Party shall be required to pay for such unpaid claims in accordance with this Article IX, subject to such increased Purchase Price.

(b) With respect to any claim for indemnification arising from any breach or inaccuracy of any representations and warranties other than Fundamental Representations or Tax Representations, the Indemnified Party shall not be entitled to indemnification with respect to any Loss under Section 9.1(a)(i) unless and until such Indemnified Party's Indemnified Group has incurred, sustained or become subject to aggregate Losses (including, with respect to Investor, the

Group Companies) arising from the same circumstances or relating to the same fact pattern in excess of ten million dollars ($10,000,000).

(c) With respect to any claim for indemnification arising from any breach or inaccuracy of any representations and warranties other than Fundamental Representations or Tax Representations, the Indemnified Party shall not be entitled to indemnification with respect to any Loss under Section 9.1(a)(i) unless and until such Indemnified Party's Indemnified Group has incurred, sustained or become subject to aggregate Losses (including, with respect to Investor, the Group Companies) (with respect to an Indemnified Party, "Indemnified Losses") in excess of one percent (1.0%) of the amount of the Purchase Price that has been paid by Investor at the time such claim for indemnification is finally resolved pursuant to this Article IX (at such applicable time, the "Indemnity Deductible"), and then only to the extent such Losses (including, with respect to Investor, the Group Companies) are in excess of the Indemnity Deductible; provided that, if, after an increase in the Indemnity Deductible as a result of Investor's payment of additional Purchase Price, (i) the Indemnity Deductible is greater than Indemnified Losses with respect to an Indemnified Party and (ii) prior to such increase, such Indemnified Party received indemnity payments with respect to Losses under Section 9.1(a) (in each case, the "Prior Indemnity Payments"), then such Indemnified Party shall not thereafter be entitled to indemnification with respect to any Loss under Section 9.1(a)(i) unless and until such Indemnified Party's Indemnified Losses exceed an amount equal to the sum of (x) the Indemnity Cap plus (y) the Prior Indemnity Payments and then only to the extent such Losses are in excess of such amount.

(d) The limitations set forth in this Section 9.3 shall not apply to claims of, or causes of action arising from Fraud by any Party.

Section 9.4 Adjustments for Indemnity Payments. Except as otherwise required by Law, the Parties shall treat for all Tax purposes any indemnification payment made hereunder as an adjustment to the Purchase Price.

Section 9.5 Procedure for Indemnification with Respect to Direct Claims. Whenever any direct claim shall arise for indemnification under this Article IX, the Indemnified Party, after attaining knowledge of such claim, shall promptly notify the Indemnitor of the claim and, when known, the facts constituting the basis for such claim (such notice, a "Claim Notice"); provided, however, that the failure to provide such Claim Notice shall not release the Indemnitor from its obligations under this Article IX except to the extent that the Indemnitor has been actually prejudiced by such failure. If, within thirty (30) days after receiving a Claim Notice, the Indemnitor notifies the Indemnified Party that it does not contest such Claim Notice or the Indemnitor does not give written notice to the Indemnified Party that it contests such Claim Notice, then the amount of indemnity payable for such claim shall be as set forth in the Indemnified Party's Claim Notice. If the Indemnitor contests such indemnity, the Parties shall attempt in good faith to reach an agreement with regard thereto within thirty (30) days of delivery of the Indemnitor's notice objecting to the claim. If the Parties cannot reach agreement within such thirty (30)-day period, the matter shall be resolved in accordance with the provisions of Section 10.9.

Section 9.6 Procedure for Indemnification with Respect to Third-Party Claims.

(a) Notice of Claim. If any legal proceedings shall be instituted or any claim or demand shall be asserted by any third party in respect of which indemnification may be sought by any Indemnified Party under this Article IX (each a "Third-Party Claim"), such Indemnified Party shall, reasonably promptly, submit a Claim Notice to the Indemnitor, specifying the nature of such Third-Party Claim and the amount or the estimated amount thereof to the extent then determinable, which estimate shall not be binding upon the Indemnified Party; provided that the failure of an Indemnified Party to give timely notice shall not affect its rights to indemnification under this Article IX, except to the extent that the Indemnitor has been actually prejudiced by such failure. The Indemnitor shall notify the Indemnified Party as soon as reasonably practicable whether the Indemnitor disputes its liability to the Indemnified Party for such claim under this Article IX; provided that the failure of an Indemnitor to give timely notice shall not affect its rights under this Article IX, except to the extent that the Indemnified Party has been actually prejudiced by such failure.

(b) Conduct of Claim.

(i) Except with respect to Taxes:

(A) If the Indemnitor notifies the Indemnified Party that the Indemnitor acknowledges its liability under this Article IX and that it desires to defend the Indemnified Party with respect to the Third-Party Claim, the Indemnitor shall have the right, at its option and at its own expense, to be represented by counsel of its choice and to take control of the defense, negotiation and/or settlement of such Third-Party Claim, unless (1) the Indemnitor is also a party to such Third-Party Claim and the Indemnified Party determines in good faith that joint representation would be inappropriate, or (2) the Third-Party Claim seeks an injunction or other equitable relief or relief other than monetary damages for which the Indemnified Party would be entitled to indemnification; provided that the Indemnified Party may participate in any such proceeding with counsel of its choice (which shall be at its own expense). If the Indemnitor assumes the defense of a Third-Party Claim in accordance with this Section 9.6, (x) the Indemnified Party shall have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnitor, and (y) the Indemnitor shall defend such Third-Party Claim in good faith to final conclusion or settlement of such Third-Party Claim. The Indemnitor shall be liable for the reasonable fees and expenses of counsel employed by the Indemnified Party for any period after the Indemnified Party has provided a Claim Notice with respect to a Third-Party Claim but the Indemnitor has not assumed the defense of a Third-Party Claim for which the Indemnified Party is entitled to indemnification pursuant to this Article IX. The Indemnitor shall provide fifteen (15) days advance written notice of any proposed settlement or compromise to the Indemnified Party, and the Indemnitor shall not, without the Indemnified Party's prior written consent (not to be unreasonably withheld, conditioned or delayed), compromise or settle any Third-Party Claim, nor execute or otherwise agree to any consent decree, that (I) provides for other than monetary payment, (II) does not include as an

unconditional term thereof the giving of a release from all liability with respect to such Third-Party Claim by each claimant or plaintiff to each Indemnified Party that is or may be subject to the Third-Party Claim, or (III) involves any finding or admission of any violation of Law or any violation of the rights of any Person.

(B) If the Indemnitor elects not to defend or settle such proceeding, claim or demand, the Indemnified Party shall provide ten (10) Business Days' advance written notice of any proposed settlement or compromise to the Indemnitor. Without the consent of the Indemnitor (not to be unreasonably withheld, conditioned or delayed), no Indemnified Party shall settle or compromise any Third-Party Claim for which the Indemnitor has acknowledged its liability under this Article IX, unless (I) the terms of such settlement are substantially the same as the proposed settlement or compromise delivered in the Claim Notice to the Indemnitor or (II) such settlement (x) provides only for the payment of money and does not include any admission of guilt or culpability and (y) includes a full release from all liability with respect to such claim by each claimant or plaintiff to each Indemnitor that is or may be subject to the Third-Party Claim.

(C) The Indemnitor and the Indemnified Party shall cooperate reasonably with each other in connection with the defense, negotiation or settlement of any Third-Party Claim.

(ii) Notwithstanding anything to the contrary in this Agreement, except as otherwise provided in the Transaction Documents, Progress Energy shall have the right, at its option and at its own expense, to be represented by counsel of its choice and to participate in, or take control of, the defense, negotiation or settlement of any proceeding, claim or demand that relates to Taxes of Progress Energy or any of its Affiliates (including the Group Companies).

(c) Payment of Third-Party Claims. After final non-appealable judgment or award shall have been rendered by a court, arbitration board or administrative agency of competent jurisdiction, or a settlement shall have been consummated, or the Indemnified Party and the Indemnitor shall have arrived at a mutually binding agreement with respect to each separate matter indemnified by the Indemnitor with respect to any Third-Party Claim, the Indemnified Party shall forward to the Indemnitor notice of any sums due and owing with respect to such Third-Party Claim at such time by the Indemnitor with respect to such matter, and such amount shall be paid within five (5) Business Days by the Indemnitor to the applicable Indemnified Party.

(d) Access to Information. If any Third-Party Claim is made against an Indemnified Party, the Indemnified Party shall use commercially reasonable efforts to make available to the Indemnitor those partners, members, officers and employees of the Indemnified Party whose assistance, testimony or presence is necessary to assist the Indemnitor in evaluating and in defending such claims; provided that any such access shall be conducted in such a manner as not to interfere unreasonably with the operations of the business of the Indemnified Party.

Section 9.7 Exclusive Remedy. Notwithstanding anything to the contrary which may be contained herein, the indemnities set forth in this Article IX shall become effective as of the

the results of such independent investigation and the Progress Energy Representations and (2) other than the Progress Energy Representations, it has not relied on, or been induced by, any representation, warranty, or other statement of or by Progress Energy, any Group Company, any of their respective Representatives or direct or indirect equity holders or any other Person, including any Projection, in making its determination to enter into this Agreement and proceed with the Transactions.

Section 10.2 Entire Agreement. This Agreement, the Confidentiality Agreement, and the other Transaction Documents constitute the entire agreement and understanding of the Parties in respect of the subject matter contained herein and therein and supersede all prior agreements and understandings between the Parties with respect to such subject matter.

Section 10.3 Notices. All notices, requests, consents and other communications under this Agreement must be in writing and shall be deemed to have been duly given and effective (a) immediately (or, if not delivered or sent before 5:00 p.m. New York time on a Business Day, the next Business Day) if delivered or sent by electronic mail (to the extent no "bounce back" or similar message indicating non-delivery is received with respect thereto), (b) on the date of delivery if by hand delivery (with confirmation of receipt) (or, if not delivered on a Business Day, the next Business Day) or (c) on the first Business Day following the date of dispatch (or, if not sent on a Business Day, the next Business Day after the date of dispatch) if sent by overnight service with a nationally recognized overnight delivery service (all fees prepaid). All notices shall be delivered to the following addresses, or such other addresses as may hereafter be designated in writing by such Party to the other Party:

(a) If to Investor:

Brookfield Asset Management
Two Allen Center
1200 Smith Street Suite 640
Houston, Texas 77002
Attention: Elisabeth Press
Email: elisabeth.press@brookfield.com

With copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main Street
Houston, Texas 77002
Attention: Kim Hicks, P.C.
Brittany A. Sakowitz, P.C.
Roald Nashi, P.C.
Email: kim.hicks@kirkland.com
brittany.sakowitz@kirkland.com
roald.nashi@kirkland.com

(b) If to Duke, Progress Energy or the Company:

Duke Energy Corporation
550 S. Tryon Street, DEC45A
Charlotte, NC 28202
Attention: Greer Mendelow
Email: greer.mendelow@duke-energy.com

Progress Energy, Inc. or Florida Progress, LLC
c/o Duke Energy Corporation
525 S. Tryon Street, DEP09A
Charlotte, NC 28202
Attention: Greer Mendelow
Email: greer.mendelow@duke-energy.com

With copies (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005
Attention: Pankaj Sinha
Emily Prezioso Walsh
Email: psinha@skadden.com
emily.walsh@skadden.com

Section 10.4 Severability. Any term or provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable for any reason shall, as to that jurisdiction, be ineffective solely to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is determined by a court of competent jurisdiction to be so broad as to be unenforceable, that provision shall be interpreted to be only so broad as is enforceable.

Section 10.5 Assignment; Third-Party Beneficiaries. Except as otherwise provided herein, all the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the Parties and their respective successors and permitted assigns. Neither this Agreement, nor any right hereunder, may be assigned by any Party without the prior written consent of the other Parties; provided, however, that Investor may assign its rights and obligations hereunder, without the consent of any other Party, (a) to any of its Affiliates and (b) by way of collateral security to any Debt Financing Source. Except for (i) any Indemnified Party's right to indemnification pursuant to Article IX, (ii) the right of Investor, as described in this Section 10.5, to enforce the right of the Group Companies to indemnification set forth in Section 9.1(b), (iii) Section 8.2(c) and (iv) as otherwise provided herein, this Agreement is not intended to confer any rights or remedies hereunder upon any other Person except the Parties, it being for the exclusive benefit of the Parties and their respective successors and permitted assigns; provided, that the Debt Financing Sources shall be intended third-party beneficiaries of

Sections 6.11, 6.12, 8.2, 10.10 and 10.14 and the second sentence and the proviso in the third sentence of this Section 10.5 and the second sentence of Section 9.7 and shall be entitled to enforce such provisions directly (and no amendment or modification to such provisions with respect to the Debt Financing Sources may be made without the prior written consent of the Debt Financing Sources). Persons other than the Parties may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the Agreement Date or as of any other date.

Section 10.6 Amendments. This Agreement may be amended, modified or supplemented, with respect to any of the terms contained in this Agreement, only by written agreement (referring specifically to this Agreement) signed by or on behalf of all Parties. Notwithstanding anything to the contrary herein, Sections 6.11, 6.12, 8.2, 10.10 and 10.14 and the second sentence and the proviso in the third sentence of Section 10.5 (and no definition set forth in this Agreement to the extent that an amendment, supplement or modification of such definition would amend, supplement or waive the substance of the foregoing provisions), in each case, solely in relation to the Debt Financing, may not be amended, supplemented, waived or otherwise modified without the prior written consent of the Debt Financing Sources.

Section 10.7 Waiver. No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is made expressly in an instrument in writing specifically referring to this Agreement and executed and delivered by the Party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a further or continuing waiver of such breach or a waiver of any other or subsequent breach. Except as otherwise expressly provided herein, no failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof, or the exercise of any other right, power or remedy. The rights and remedies of the Parties are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise.

Section 10.8 Interpretation.

(a) When a reference is made in this Agreement to an Article, Section, Schedule, clause or Exhibit, such reference shall be to an Article, Section or clause of, or Exhibit to, this Agreement unless otherwise indicated, and the words "Agreement," "hereby," "herein," "hereof," "hereunder" and words of similar import refer to this Agreement as a whole (including any Exhibits or Schedules) and not merely to the specific section, paragraph or clause in which such word appears. The table of contents and the Article and Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and do not in any way affect the meaning or interpretation of this Agreement. The phrases "the date of this Agreement," "the date hereof" and terms of similar import, shall be deemed to refer to the Agreement Date. References to any statute are to that statute, as amended from time to time, and to the rules and regulations promulgated thereunder. Unless otherwise expressly provided herein, references to any agreement or document shall be a reference to such agreement or document as in effect on the Agreement Date and as amended, modified or supplemented to the extent expressly permitted by the terms hereof and in effect from time to time and shall include reference to all exhibits, schedules and other documents or agreements attached thereto or incorporated therein,

including waivers or consents. Unless otherwise expressly provided herein, references to any Person include the successors and permitted assigns of that Person. Whenever the content of this Agreement permits, the masculine gender shall include the feminine and neuter genders, and a reference to singular or plural shall be interchangeable with the other. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. As used in this Agreement: (i) the term "including" and words of similar import mean "including, without limitation" unless otherwise specified, (ii) "$" and "dollars" refer to the currency of the United States of America, (iii) "or" shall include both the conjunctive and disjunctive and (iv) "any" shall mean "one or more." Unless the defined term "Business Days" is used, references to "days" in this Agreement refer to calendar days. Any document, list or other item shall be deemed to have been "made available" or "provided" to Investor for purposes of this Agreement only if such document, list or other item was posted at least two (2) Business Days before the Agreement Date in the Datasite electronic data room established by Progress Energy for the Transaction.

(b) The Parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

(c) No summary of this Agreement prepared by or on behalf of any Party shall affect the meaning or interpretation of this Agreement.

Section 10.9 Governing Law; Consent to Jurisdiction; WAIVER OF JURY TRIAL.

(a) This Agreement, the legal relations between the Parties and the adjudication and the enforcement thereof, shall be governed by and interpreted and construed in accordance with the substantive laws of the State of Delaware, without regard to applicable choice of law provisions thereof.

(b) Each Party, by its execution hereof, (i) hereby irrevocably submits and consents to the exclusive jurisdiction of the state courts of the State of Delaware located in Wilmington, Delaware or the United States District Court for the District of Delaware for the purpose of any and all actions, suits or proceedings arising in whole or in part out of, related to, based upon or in connection with this Agreement or the subject matter hereof (each, a "Proceeding"), (ii) hereby waives to the extent not prohibited by applicable Law, and agrees not to assert, by way of motion, as a defense or otherwise, in any Proceeding, any claim that it is not subject to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution or that any such action brought in one of the above-named courts should be dismissed on grounds of forum non conveniens, should be transferred to any court other than one of the above-named courts or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this Agreement or the subject matter hereof may not be enforced in or by such court and (iii) hereby agrees not to commence any Proceeding other than before one of the above-named courts nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any Proceeding to any court other than one of the above-named courts whether on the grounds of

inconvenient forum or otherwise. Each Party hereby (A) consents to service of process in any such action in any manner permitted by Delaware Law, (B) agrees that service of process made in accordance with clause (A) or made by registered or certified mail, return receipt requested, at its address specified pursuant to Section 10.3, shall constitute good and valid service of process in any Proceeding and (C) waives and agrees not to assert (by way of motion, as a defense or otherwise) in any Proceeding any claim that service of process made in accordance with clauses (A) or (B) does not constitute good and valid service of process.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY PROCEEDING OR OTHER CONTROVERSY WHICH MAY ARISE IN CONNECTION WITH THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUCH PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS, OR THE FORMATION, BREACH, TERMINATION OR VALIDITY OF THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) IT MAKES THIS WAIVER VOLUNTARILY AND (IV) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.9.

(d) Each of the Parties hereby agrees, with respect to any Proceeding, (i) to take all actions necessary to consolidate and join together such Proceeding with any other action, suit or proceeding arising in whole or in part out of, related to, based upon or in connection with the Transactions or the subject matters thereof (each, a "Related Proceeding"); (ii) that any Related Proceeding necessarily would involve common questions of law or fact and arise under the same related transactions, such that consolidation and joinder would be necessary to guard against oppression or abuse, prevent delay, save unnecessary expense, further judicial economy and convenience, and avoid divergent decisions or findings of law or fact; and (iii) not to assert, by way of a claim, cause of action, motion, defense or otherwise, in any action, suit or proceeding, any argument or contention that is inconsistent in any respect with this Section 10.9(d); provided, however, that this Section 10.9(d) shall not be given effect if and to the extent that it would contradict the application of any express dispute resolution provision provided in the A&R LLC Agreement or any other Contract related to the Transactions with respect to disputes expressly covered by those Contracts.

Section 10.10 Remedies.

(a) The Parties agree that irreparable harm would occur and the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to seek to enforce specifically the terms and provisions of this

Agreement, this being in addition to any other remedy to which they are entitled at law or in equity except as provided in Section 8.2.

(b) The Parties agree that Progress Energy shall be entitled to cause the First Closing Equity Financing to be funded, to specifically enforce the Investor's rights under the BSIP Equity Commitment Letter, or to cause the Investor to consummate the Transactions, including to effect the First Closing in accordance with Section 2.2, on the terms and subject to the conditions in this Agreement, solely and exclusively pursuant to this Section 10.10 if and only if: (i) all applicable conditions in Section 7.1 and Section 7.2 have been satisfied and remain satisfied as of the date on which the First Closing would otherwise be required to occur or waived (other than those conditions that, by their nature, are to be satisfied at the First Closing; provided that such conditions are capable of satisfaction and the date the First Closing is required under Section 2.2 or have been waived as of such date); (ii) the Investor fails to complete the First Closing by the date the First Closing would otherwise be required to have occurred pursuant to Section 2.2; (iii) the Debt Financing has been funded or will be funded to Investor at the First Closing if the First Closing Equity Financing were to be funded at the First Closing and (iv) Progress Energy has confirmed in an irrevocable writing delivered to the Investor that Progress Energy is prepared to and able to effect the First Closing upon the funding of the First Closing Equity Financing and the Debt Financing. The Parties agree that Progress Energy shall be entitled to cause the Subsequent Closing Equity Financing to be funded, to specifically enforce the Investor's rights under the BAM Equity Commitment Letter, or to cause the Investor to consummate the Transactions with respect to the applicable Subsequent Closing, including to effect such Subsequent Closing in accordance with Section 2.2, on the terms and subject to the conditions in this Agreement, solely and exclusively pursuant to this Section 10.10 if and only if: (A) all applicable conditions in Section 7.1 and Section 7.2 have been satisfied and remain satisfied as of the date on which the applicable Subsequent Closing would otherwise be required to occur or waived (other than those conditions that, by their nature, are to be satisfied at the applicable Subsequent Closing; provided that such conditions are capable of satisfaction and the date the Subsequent Closing is required under Section 2.2 or have been waived as of such date); and (B) the Investor fails to complete the Subsequent Closing by the date the Subsequent Closing would otherwise be required to have occurred pursuant to Section 2.2. The Parties hereby waive, in any action for specific performance permitted by this Agreement, the defense of adequacy of a remedy at law and the posting of any bond or other undertaking or security in connection therewith. The Parties further agree that (1) by seeking any remedy provided in this Section 10.10, a Party shall not in any respect waive its right to seek any other form of relief that may be available to it under this Agreement, subject to the limitations set forth in Section 8.2 and (2) nothing contained in this Section 10.10 shall require a Party to institute any action for (or limit a Party's right to institute any action for) specific performance under this Section 10.10 prior to exercising any other right under this Agreement. If, prior to the valid termination of the Agreement pursuant to Section 8.1, any Party brings any Action or Proceeding to enforce specifically the performance of the terms of provisions hereof to cause the Investor to consummate the Transactions, then, notwithstanding anything to the contrary herein, the Termination Date shall automatically be extended by (x) the period of time between the commencement of such Action or Proceeding and the date on which such Action or Proceeding is fully and finally resolved, plus ten (10) Business Days, plus (y) any such other time period as finally determined by the court presiding over such Action or Proceeding.

Section 10.11 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same Agreement.

Section 10.12 No Offset. No Party may offset any amount due to any other Party or any of such other Party's Affiliates against any amount owed or alleged to be owed from such other Party or its Affiliates under this Agreement or any other Transaction Document without the written consent of such other party.

Section 10.13 Waiver; Conflicts. Recognizing that Shutts & Bowen LLP and Skadden, Arps, Slate, Meagher & Flom LLP (collectively, "Company Counsel") has acted as legal counsel to Progress Energy, the Company and certain of their Affiliates prior to the Agreement Date, and that Company Counsel intends to act as legal counsel to Progress Energy, the Company and certain of their Affiliates after the First Closing, Investor hereby waives, on its own behalf and agrees to cause its respective Affiliates to waive, any conflicts that may arise in connection with Company Counsel representing Progress Energy or the Company or its Affiliates, whether prior to or after the First Closing, as such representation may relate to the Transactions; provided, however, that such waiver shall not extend to any representation in connection with any litigation or other Action or Proceeding against Investor or its Affiliates. In addition, all communications involving attorney-client confidences between Progress Energy, the Company and their respective Affiliates, on the one hand, and Company Counsel, on the other hand, in the course of the engagement with respect to negotiation, documentation and consummation of the Transactions shall be deemed to be attorney-client confidences that belong solely to Progress Energy, the Company and their Affiliates (and not Investor). Accordingly, Investor shall not have the right to obtain access to any such communications or to the files of Company Counsel relating to such engagement at any time. Without limiting the generality of the foregoing, from and after the First Closing Date, (a) Progress Energy, the Company and their Affiliates (and not Investor) shall be the sole holders of the attorney-client privilege with respect to such engagement, and Investor shall not be a holder thereof, (b) to the extent that files of Company Counsel in respect of such engagement constitute property of the client, only Progress Energy, the Company and its Affiliates (and not Investor) shall hold such property rights and (c) Company Counsel shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to Investor by reason of any attorney-client relationship between Progress Energy, the Company and Company Counsel or otherwise. This Section 10.13 shall be irrevocable, and no term of this Section 10.13 may be amended, waived or modified, without the prior written consent of Company Counsel.

Section 10.14 Debt Financing Sources. Notwithstanding anything to the contrary contained in this Agreement, each of the Parties: (a) agrees that it will not bring or support any Person in any claim of any kind or description, whether at law or in equity, whether in contract or in tort or otherwise, against any of the Debt Financing Sources in any way relating to this Agreement or any of the Transactions, including, any dispute arising out of or relating in any way to the Debt Financing Commitment Letters or the performance thereof or the financings contemplated thereby, in any forum other than the Supreme Court of the State of New York, County of New York, or, if, under applicable Law, exclusive jurisdiction is vested in the federal courts, the United States District Court for the Southern District of New York sitting in New York County (and appellate courts thereof); (b) agrees that, except as specifically set forth in the Debt Financing Commitment Letters, all claims or causes of action (whether at law, in equity, in

contract, in tort or otherwise) against any of the Debt Financing Sources in any way relating to the Debt Financing Commitment Letters or the performance thereof or the financings contemplated thereby, shall be exclusively governed by the Laws of the State of New York, without giving effect to principles or rules of conflicts of laws to the extent such principles or rules would require or permit the application of laws of another jurisdiction; and (c) hereby irrevocably and unconditionally waives any right such party may have to a trial by jury in respect of any litigation (whether at law or in equity, whether in contract or in tort or otherwise) directly or indirectly arising out of or relating in any way to the Debt Financing Commitment Letters or the performance thereof or the financings contemplated thereby. Notwithstanding anything to the contrary contained in this Agreement, subject to the rights of the parties to any Debt Financing Commitment Letters, (i) the Parties hereby acknowledge and agree that no Party or any of its or their respective Affiliates, directors, officers, employees, agents, partners, managers, members or equityholders or any successors or assigns of any of the foregoing (x) shall have any rights or claims against any Debt Financing Sources in any way relating to this Agreement, the Debt Financing, the Debt Financing Commitment Letters or any of the Transactions, or in respect of any other document or any of the Transactions, or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Financing Commitment Letters or the performance thereof or the financings contemplated thereby, whether at law or in equity, in contract, in tort or otherwise and (y) agrees not to commence any claim against any Debt Financing Sources in connection with this Agreement, the Debt Financing, the Debt Financing Commitment Letters or any of the Transactions, or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Financing Commitment Letters or the performance thereof or the Debt Financing, and (ii) no Debt Financing Source shall have any Liability (whether in contract, in tort or otherwise) to any Party and its or their respective Affiliates, directors, officers, employees, agents, partners, managers, members, representatives or equityholders or any successors or assigns of any of the foregoing for any Liabilities of any Party under this Agreement or for any claim based on, in respect of, or by reason of, the Transactions or in respect of any oral or written representations made or alleged to have been made in connection herewith or therewith, including any dispute arising out of or relating in any way to the Debt Financing Commitment Letters or the performance thereof or the financings contemplated thereby, whether at law or in equity, in contract, in tort or otherwise. Notwithstanding anything in this Agreement to the contrary, in no event shall the Company or any of its Affiliates or Representatives (or any other Person) be entitled to, or permitted to seek, specific performance in respect of any Debt Financing Source or Investor's or its Affiliates' respective rights under the Debt Financing Commitment Letters or any other agreements with any Debt Financing Source relating to the Debt Financing.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Agreement Date.

PROGRESS ENERGY, INC.

By: _____
Name: Brian D. Savoy
Title: Executive Vice President and Chief Financial Officer

FLORIDA PROGRESS, LLC

By: _____
Name: Michael P. Callahan
Title: Treasurer

DUKE ENERGY CORPORATION

By: _____
Name: Harry K. Sideris
Title: President and Chief Executive Officer

PENINSULA POWER HOLDINGS L.P.

By: Peninsula Power GP LLC
Its: General Partner

By: Brookfield Super-Core Infrastructure Partners GP LLC
Its: Sole Member

By: Brookfield Super-Core Infrastructure Partners GP of GP LLC
Its: Manager

By: _____
Name: Elisabeth Press
Title: Senior Vice President

ATTACHMENT C

FORM OF LLC AGREEMENT

Final Form

Exhibit A

FORM OF AMENDED AND RESTATED

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

FLORIDA PROGRESS, LLC

A Florida Limited Liability Company

Dated as of [●]

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AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

FLORIDA PROGRESS, LLC

This Amended and Restated Limited Liability Company Operating Agreement (this "Agreement") of Florida Progress, LLC, a Florida limited liability company (the "Company"), dated as of [●], 2025 (the "Effective Date"), is executed and entered into by and among the Company, Progress Energy, Inc., a North Carolina corporation ("Progress Energy"), and Peninsula Power Holdings L.P., a Delaware limited partnership ("New Investor"), and, solely for the purposes of Section 4.2(j), Peninsula Power FinCo L.P., a Delaware limited partnership ("New Investor Parent").

RECITALS

WHEREAS, the Company was originally organized as Florida Progress Corporation, a Florida corporation, pursuant to the Articles of Incorporation filed with the Secretary of State of the State of Florida on January 21, 1982, and converted into a Florida limited liability company pursuant to the Articles of Conversion and Articles of Organization (the "Articles") filed with the Secretary of State of the State of Florida on August 1, 2015, pursuant to (a) Section 605.1042 *et seq.* of the Florida Revised Limited Liability Company Act (the "LLC Act"), (b) Section 607.1112 *et seq.* of the Florida Business Corporation Act (the "Business Corporation Act") and (c) the execution of that certain Limited Liability Company Operating Agreement of the Company, dated as of August 1, 2015 (the "Original Agreement");

WHEREAS, immediately prior to the date hereof, Progress Energy owned one hundred percent (100%) of the Common Units (as defined herein);

WHEREAS, as of the date hereof, the Company owns one hundred percent (100%) of the issued and outstanding membership interests of Duke Energy Florida, LLC, a Florida limited liability company ("DEF");

WHEREAS, Progress Energy, the Company and New Investor entered into that certain Investment Agreement, dated as of [●], 2025 (the "Investment Agreement"), pursuant to which, (a) upon the First Closing (as defined herein), the Company issued [●] Common Units to New Investor on the date hereof and (b) subject to the terms and conditions set forth therein, upon Subsequent Closings (as defined herein), the Company will issue a number of Common Units to New Investor on dates determined pursuant to the terms thereof;

WHEREAS, as of the date hereof, Progress Energy owns [●]% of the Common Units and New Investor owns [●]% of the Common Units; and

WHEREAS, the parties hereto desire to amend and restate the Original Agreement in its entirety to reflect the admission of New Investor as a Member in the Company, and to amend and restate the terms and conditions of the governance and operation of the Company.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

Section 1.1 Definitions. Capitalized terms used in this Agreement but not defined in the body hereof shall have the meanings ascribed to them in Exhibit A hereto.

Section 1.2 Interpretation.

(a) When a reference is made in this Agreement to an Article, Section, clause or Exhibit, such reference shall be to an Article, Section or clause of, or Exhibit to, this Agreement unless otherwise indicated, and the words "Agreement," "hereby," "herein," "hereof," "hereunder" and words of similar import refer to this Agreement as a whole (including any Exhibits) and not merely to the specific section, paragraph or clause in which such word appears. The table of contents and the Article and Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and do not in any way affect the meaning or interpretation of this Agreement. The phrases "the date of this Agreement," "the date hereof" and terms of similar import, shall be deemed to refer to the Effective Date. References to any statute are to that statute, as amended from time to time, and to the rules and regulations promulgated thereunder. Unless otherwise expressly provided herein, references to any agreement or document shall be a reference to such agreement or document as amended, modified or supplemented and in effect from time to time and shall include reference to all exhibits, schedules and other documents or agreements attached thereto or incorporated therein, including waivers or consents. Unless otherwise expressly provided herein, references to any Person include the successors and permitted assigns of that Person. Whenever the content of this Agreement permits, the masculine gender shall include the feminine and neuter genders, and a reference to singular or plural shall be interchangeable with the other. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. Accounting terms that are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control. As used in this Agreement: (i) the term "including" and words of similar import mean "including, without limitation" unless otherwise specified, (ii) "$" and "dollars" refer to the currency of the United States of America, (iii) "or" shall include both the conjunctive and disjunctive and (iv) "any" shall mean "one or more." Unless the defined term "Business Days" is used, references to "days" in this Agreement refer to calendar days. The dollar thresholds set forth in Section 7.1(a) and Section 7.1(m) shall be increased annually on each January 1 from and after the First Closing for inflation by the change in the Consumer Price Index for the immediately preceding twelve- (12-) month period.

(b) The parties have participated jointly in negotiating and drafting this Agreement. In the event that an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of

proof shall arise favoring or disfavoring any party by virtue of the authorship of any provision of this Agreement.

(c) No summary of this Agreement prepared by or on behalf of any party shall affect the meaning or interpretation of this Agreement.

ARTICLE II

ORGANIZATION

Section 2.1 Formation; Continuation; Amendment and Restatement. The Company was originally organized as a Florida corporation upon the filing of the Articles of Incorporation with the Secretary of State of the State of Florida and was converted to a Florida limited liability company upon the filing of the Articles with the Secretary of State of the State of Florida on August 1, 2015, in conformity with the LLC Act and the Business Corporation Act. The Company is and shall continue to be a limited liability company organized pursuant to the LLC Act. The Members ratify the organization and formation of the Company and continue the Company, pursuant to the terms and conditions of this Agreement. This Agreement amends and restates in its entirety and supersedes the Original Agreement, effective as of the Effective Date. The Company and, if required, each of the Members, or a Person duly authorized to act on behalf of any such Member or Members, shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, continuation, valid existence and, when appropriate, termination of the Company as a limited liability company under the laws of the State of Florida.

Section 2.2 Name. The name of the Company is "Florida Progress, LLC" and its business shall continue to be carried on in such name with such variations and changes as the Board deems necessary to comply with requirements of the jurisdictions in which the Company's operations are conducted. In the event that the Board changes the name of the Company, it shall notify each of the Members.

Section 2.3 Business Purpose. The Company is formed for the purposes of, either on its own behalf or through its Subsidiaries: (a) owning and operating a public utility engaged in the generation, transmission, distribution and sale of electricity within the State of Florida through the ownership and operation of Qualifying Core Assets under the regulation of the FPSC, FERC and NRC, (b) owning and operating unregulated renewable energy generation facilities within the State of Florida, and (c) exercising powers that are necessary, appropriate, advisable or incidental to or for the purposes of its business described in this Section 2.3. The Company shall not take any action, or cause or permit any of its Subsidiaries to take any action that is inconsistent with the purposes of its business described in this Section 2.3, without the prior written consent of Progress Energy and each Investor 4.9% Member.

Section 2.4 Registered Office and Agency. The address of the registered office of the Company in the State of Florida is 1200 South Pine Island Road, Plantation, FL 33324, and the name of the registered agent is CT Corporation System.

Section 2.5 Company Property; Membership Interests. No real or other property of any kind, tangible or intangible, of the Company or any of its Subsidiaries shall be deemed to be owned by any Member individually, but shall be owned by, and title shall be vested solely in, the Company or such applicable Subsidiary, as the case may be. Without limiting the foregoing, all trade secrets, intellectual property and other business assets used or developed by the Company or its Subsidiaries are and shall be owned and Controlled only by the Company or its Subsidiaries, as applicable.

Section 2.6 Term. The term of the Company commenced on the date of filing of the Articles with the Secretary of State of the State of Florida and shall continue in perpetuity unless the Company is sooner dissolved in accordance with the terms of this Agreement or the LLC Act.

Section 2.7 Organizational and Fictitious Name Filings. The Company shall, from time to time, register the Company as a foreign limited liability company and file such fictitious or trade name statements or certificates in such jurisdictions and offices as the Board considers necessary or appropriate. The Company may do business under any fictitious business name deemed necessary or desirable. The Board shall take any and all other actions as may be reasonably necessary to perfect and maintain the status of the Company as a limited liability company or similar type of entity under the laws of any state or jurisdiction (other than Florida) in which the Company engages in business, and continue the Company as a limited liability company to protect the limited liability of the Members as contemplated by the LLC Act and to accomplish the purpose of the Company.

Section 2.8 Tax Treatment. The Members intend for the Company to be treated as an association taxable as a corporation for U.S. federal income Tax purposes (and analogous state and local income Tax purposes), and the Company shall make any elections and file any necessary documentation in order for the Company to be treated as an association taxable as a corporation for U.S. federal income Tax purposes (and analogous state and local income Tax purposes). Notwithstanding anything to the contrary contained herein, the Company shall not change or otherwise alter the Company's treatment as an association taxable as a corporation for U.S. federal income Tax purposes (and analogous state and local income Tax purposes) unless otherwise determined by the Board and with the prior written consent of Progress Energy and each Investor 4.9% Member. The Company and each Member shall file all Tax Returns and shall take all Tax and financial reporting positions in a manner consistent with this treatment. Neither this Agreement nor any other document entered into by the Company or any Member relating to the subject matter hereof shall be construed to suggest otherwise.

ARTICLE III

MEMBERS; MEMBERSHIP INTERESTS

Section 3.1 Members. The names and addresses of the Members shall be set forth on the Register of Members.

Section 3.2 Register of Members.

(a) Ownership of Membership Interests shall be evidenced by certificates, but ownership in the Company shall be exclusively evidenced and determined by entry in the Register of Members. A copy of the Register of Members setting forth the name, address, number of Units issued to such Member (including the date of issuance) and Company Percentage Interest of each Member as of the date hereof is attached as Schedule A hereto, and the Company shall amend Schedule A from time to time as necessary to reflect accurately Transfers undertaken in compliance with this Agreement.

(b) Each certificate and the Register of Members shall bear a legend on the face thereof in the following form:

"TRANSFER IS SUBJECT TO RESTRICTIVE LEGENDS ON BACK."

and shall bear a legend on the reverse side thereof substantially in the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION THEREFROM IS AVAILABLE. THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND OTHER TERMS AND CONDITIONS SET FORTH IN THE LIMITED LIABILITY COMPANY OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME, A COPY OF WHICH MAY BE OBTAINED FROM THE COMPANY AT ITS PRINCIPAL EXECUTIVE OFFICES."

(c) If any Units are registered under the Securities Act, then the Company, upon the written request of the holder thereof, shall issue to such holder a new certificate evidencing such Units without the first sentence of the legend set forth above endorsed thereon. If any Units cease to be subject to any and all restrictions on Transfer set forth in this Agreement, the Company, upon the written request of the holder thereof, shall issue to such holder a new certificate evidencing such Units without the second sentence of the legend set forth above endorsed thereon.

(d) Without any further act, vote or approval of any Member or any other Person, the Company shall issue, and the Members shall cooperate to cause the Company to issue, a new certificate in place of any certificate previously issued to the holder of the Units represented by such certificate, as reflected on the Register of Members of the Company: (i) if such holder is a Member, if such Member makes proof by affidavit, in form and substance that is customary and reasonable, that such previously issued certificate has been lost, stolen or destroyed and, in the case of New Investor, the Secured Parties consent to the issuance of such new certificate and (ii) if the Secured Parties with respect to such certificate make proof by affidavit, in form and

substance that is customary and reasonable, that such previously issued certificate has been lost, stolen or destroyed.

Section 3.3 Membership Interests. The Company is authorized to issue, subject to the terms and conditions set forth herein, Classes of Membership Interests as follows: (a) Common Units and (b) subject to Section 7.1(e) and Section 7.1(f), any other Class of Membership Interests. Each Unit shall constitute and shall remain a "security" within the meaning of, and governed by, (i) Article 8 of the Uniform Commercial Code (including Section 8-102(a)(15) thereof) as in effect from time to time in the States of Florida and New York and (ii) the Uniform Commercial Code of any other applicable jurisdiction that now or hereafter substantially includes the 1994 revisions to Article 8 thereof as adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995 (and each Unit shall be treated as such a "security" for all such purposes, including perfection of the security interest therein under Articles 8 and 9 of each applicable Uniform Commercial Code).

Section 3.4 Liability to Third Parties. No Member shall be liable for the debts, obligations or liabilities of the Company solely by reason of being a Member.

Section 3.5 Cessation of Interest. A Member shall automatically cease to be a Member upon Transfer of all of such Member's Membership Interests in accordance with this Agreement and the removal of such Member's name from the Register of Members. Immediately upon any such Transfer, the Company shall cause such Member's name to be removed from the Register of Members.

Section 3.6 Other Business of the Members; Corporate Opportunities.

(a) The Members and their respective Affiliates (subject to compliance with Section 3.6(b) in the case of Progress Energy and its Affiliates) may engage in, invest in, provide financing to, possess an interest in or otherwise be involved in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Company and its Subsidiaries, and neither the Company nor any other Member shall have any rights by virtue of this Agreement in and to such independent ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Company and its Subsidiaries, shall not be deemed wrongful or improper.

(b) In the event that Progress Energy or any of its Affiliates (other than the Company and its Subsidiaries) identifies a "greenfield" or "brownfield" asset acquisition, development or expansion opportunity primarily involving or primarily related to the generation, transmission, distribution and sale of electricity to or for the public in the State of Florida (regulated or unregulated) ("Business Opportunity Assets"), whether such opportunity is structured as either (x) an acquisition of assets or (y) an acquisition of equity of any Person for which the Fair Market Value of such Business Opportunity Assets is no more than one billion dollars ($1,000,000,000) (a "Company Business Opportunity"), then such Company Business Opportunity shall be presented by Progress Energy to the Board for pursuit by the Company prior to Progress Energy or any of its Affiliates (other than the Company and its Subsidiaries) undertaking such Company Business Opportunity. Only if the New Investor Designees on the

Board do not vote in favor of the Company pursuing such Company Business Opportunity, then Progress Energy or its Affiliate (as applicable) will have the right to pursue the Company Business Opportunity without further involvement of the Company; provided, for the avoidance of doubt, that the New Investor Designee's or New Investor's consent is not required for the Company to pursue such Company Business Opportunity unless otherwise required pursuant to this Agreement. In the event that Progress Energy or any of its Affiliates (other than the Company and its Subsidiaries) consummates a transaction that does not constitute a Company Business Opportunity but involves a Person that, prior to such transaction, would itself participate in projects that would satisfy the definition of Company Business Opportunity, any Person that becomes an Affiliate of Progress Energy as a result of such transaction (any such person, an "Unrestricted Affiliate") shall not be deemed an Affiliate of Progress Energy for the purposes of this Section 3.6(b); provided that following any such transaction the Members shall cooperate in good faith to negotiate and implement a corporate opportunity policy for the Company with respect to the business activities of the Unrestricted Affiliates.

(c) In the event that any Member or its Affiliates (other than the Company and its Subsidiaries) become the Beneficial Owner(s) of fifty percent (50%) or more of the total voting power or equity interests of any Person (other than the Company and its Subsidiaries) involved in the generation, transmission, distribution and sale of electricity to or for the public in the State of Florida (such Person, a "Florida Utility"), each Member agrees that none of the directors, managers or officers of such Florida Utility or its Subsidiaries shall serve as directors, managers or officers of the Company or its Subsidiaries.

(d) Except as provided in Section 3.6(b), the Company and each Member expressly acknowledge and agree that (i) none of the Members nor any of their respective Affiliates or Representatives shall have any duty to communicate or present an investment or business opportunity to the Company in which the Company may, but for the provisions of this Section 3.6, have an interest or expectancy (a "Corporate Opportunity"), and (ii) none of the Members nor any of their respective Affiliates or Representatives (even if such Person is also an officer or Manager of the Company) shall be deemed to have breached any fiduciary or other duty or obligation to the Company by reason of the fact that any such Person pursues or acquires a Corporate Opportunity for itself or directs, sells, assigns or transfers such Corporate Opportunity to another Person or does not communicate information regarding such Corporate Opportunity to the Company. The Company expressly renounces any interest in a Corporate Opportunity and any expectancy that a Corporate Opportunity will be offered to the Company.

ARTICLE IV

CAPITAL CONTRIBUTIONS; ADDITIONAL MEMBERSHIP INTERESTS

Section 4.1 Issuance of Units.

(a) Common Units. At the First Closing, the Company issued [•] Common Units to New Investor. Following the First Closing, Progress Energy holds [•]% of the Common Units and New Investor holds [•]% of the Common Units. At Subsequent Closings, the Company will issue the number of Common Units contemplated by the Investment Agreement to New Investor. For the avoidance of doubt, any issuance of Units pursuant to the Investment

Agreement is deemed hereby approved by the Board, and no further approval or consent of the Board or any Member shall be required for such issuance(s).

(b) Additional Capital Contributions. Except as specifically set forth in this Article IV, no Member shall be required to make any additional contribution of property or money to the Company.

(c) Issuance of Additional Units. Except for Units issued pursuant to the Investment Agreement or in accordance with Section 4.2 and Section 4.4, the Company shall not, and the Members shall take all actions as may be reasonably necessary to ensure that the Company does not, issue any new Units, or any securities convertible into Units or other Equity Interests ("New Units"), to any Person other than the Members (such other Person, a "Third-Party Investor") or to the Members other than in accordance with their respective Company Percentage Interests or in accordance with Section 4.4. For the avoidance of doubt, any New Units issued in accordance with this Article IV shall be subject to the terms and conditions of this Agreement to the same extent as any Units outstanding as of the date hereof.

(d) After the Effective Time, the Company shall issue no additional Membership Interests or admit any additional Members except as expressly set forth in this Agreement or pursuant to the Investment Agreement.

(e) Notwithstanding anything to the contrary contained herein (including anything contained in Section 4.2 or Section 4.3) and except in the case of any issuance of Units in satisfaction of a Specified Loan Amount, in no event shall the Company issue any Units (including any New Units) to the extent the issuance thereof would result in Progress Energy owning less than eighty percent (80%) of the Units or Progress Energy's Company Percentage Interest being less than eighty percent (80%), in each case, without the consent of Progress Energy (which consent shall be in Progress Energy's sole discretion). Any issuance of Units other than in strict accordance with this Section 4.1(e) shall be void ab initio. To the extent any issuance of Units is voided pursuant to this provision, the Company and the applicable Members will make the necessary reissuances and reimbursements to reverse the voided issuance.

Section 4.2 Additional Capital Contributions.

(a) In the event that the Company requires additional funding for the purpose of paying for Necessary Expenses or the development or acquisition of Qualifying Core Assets, the Board may determine to request that the Members make additional capital contributions to the Company (each, an "Additional Capital Contribution") and, subject to Section 4.2(e), authorize the issuance of New Units in connection therewith ("ACC Units") in accordance with the procedures set forth in this Section 4.2; provided that the Board shall not issue any Capital Call Notices for Excess Capital Contributions prior to the Final Closing. Subject to the express provisions of this Section 4.2 and the terms of the ECL, no Member shall have any obligation to make Additional Capital Contributions to the Company pursuant to this Section 4.2.

(b) If the Board determines to request that the Members make Additional Capital Contributions to the Company in accordance with Section 4.2(a), the Company shall issue a written request (a "Capital Call Notice") to each of the Members for the making of

such Additional Capital Contributions (a "Capital Call"). The Capital Call Notice shall specify (i) the total amount of Additional Capital Contributions requested from all Members ("Total Capital Call Amount"), (ii) the amount of the Additional Capital Contribution requested from each Member (with respect to each Member, its "Proportionate Contribution Entitlement") which, with respect to each Member, shall equal such Member's Company Percentage Interest *multiplied by* the Total Capital Call Amount, (iii) whether the purpose of such Capital Call is (A) to fund Necessary Expenses required by the Company during the period covered by such Capital Call Notice, together with a brief description of any such Necessary Expenses or (B) for the development or acquisition of Qualifying Core Assets, together with a brief description of such Qualifying Core Assets; provided that any such Capital Call Notice may specify one or more of the foregoing purposes, and in the event that a Capital Call Notice specifies more than one purpose, the Board shall also specify which portions of the Total Capital Call Amount and the corresponding Proportionate Contribution Entitlements are attributable to each of the purposes specified therein, (iv) the funding date for such Capital Call (the "Capital Call Request Funding Date"), which Capital Call Request Funding Date shall not be earlier than (x) with respect to a Mandatory Capital Contribution, the date that is twenty (20) days and (y) with respect to an Excess Capital Contribution, the date that is forty-five (45) days, in each case following the date on which such Capital Call Notice is delivered to the Members, (v) which portions of the requested Additional Capital Contributions, if any, constitute a Mandatory Capital Contribution or an Excess Capital Contribution, in each case, to the extent applicable and (vi) in the case of an Excess Capital Contribution only, the Fair Market Value per Unit. For the avoidance of doubt, the Board shall be permitted to issue more than one Capital Call Notice on any particular date.

(c) New Investor shall be required to fund its Proportionate Contribution Entitlement in connection with any Capital Call for a Mandatory Capital Contribution up to the Annual Remaining Distribution Amount. In the event New Investor fails to fund its Proportionate Contribution Entitlement as provided in the first sentence of this Section 4.2(c), the Company shall be entitled to enforce New Investor's obligation to fund such Mandatory Capital Contribution up to the Annual Remaining Distribution Amount in addition to the other remedies provided by Law (with the New Investor Designees abstaining from determining any such enforcement). For the avoidance of doubt, in no event shall the Company be entitled to enforce New Investor's obligation to fund any such portion of a Mandatory Capital Contribution to the extent it would cause New Investor to make capital contributions in excess of the Annual Remaining Distribution Amount.

(d) Notwithstanding anything to the contrary contained in Section 4.2(b), if there is a Mandatory Capital Call outstanding for at least five (5) Business Days on any Distribution Date with respect to a Member, such Member shall be obligated to contribute to the Company Distributable Cash actually received from the Company on such Distribution Date no later than the end of the day on such Distribution Date, if such amount of Distributable Cash is received by such Member prior to 12:00 p.m. New York time on the applicable Distribution Date or, otherwise, on the next Business Day, in an amount equal to the lesser of (i) the amount of such Member's Proportionate Contribution Entitlement of such Mandatory Capital Contribution and (ii) the Distributable Cash actually received on such Distribution Date as an Additional Capital Contribution (a "Mandatory Reinvestment").

(e) If each Member makes an Additional Capital Contribution in the full amount of its Proportionate Contribution Entitlement, no ACC Units shall be issued in connection therewith and there shall be no change to any Member's Company Percentage Interest. Each Member acknowledges that by declining to make an Additional Capital Contribution pursuant to a Capital Call in the full amount of such Member's Proportionate Contribution Entitlement, its Company Percentage Interest may be diluted in accordance with the terms of this Section 4.2, without limitation to any other available remedies set forth in this Agreement, unless otherwise agreed by the Members.

(f) Within (x) seven (7) days following receipt of a Capital Call Notice with respect to any Mandatory Capital Contribution (the "Mandatory Contribution Option Period") and (y) twenty (20) days following receipt of a Capital Call Notice with respect to any Excess Capital Contribution (the "Excess Contribution Option Period"), each Member shall send a written notice to the Company with, in the case of clause (iii), a copy to each other Member, either (i) declining to make an Additional Capital Contribution pursuant to the Capital Call, (ii) agreeing to make part or all of the Member's Proportionate Contribution Entitlement and stating what portion of the Member's Proportionate Contribution Entitlement it shall make or (iii) solely in the case of an Excess Capital Call, requesting a Capital Contribution Loan with respect to all or a part of such Member's Proportionate Contribution Entitlement and setting forth the amount of Additional Capital Contribution (if any) to be made by such Member (such request, a "Capital Contribution Loan Request"). Any Member that does not send a notice within the applicable Contribution Option Period shall be deemed to have declined to make any Additional Capital Contribution and declined to issue a Capital Contribution Loan Request pursuant to the Capital Call.

(g) Within (x) three (3) days following the expiration of the Mandatory Contribution Option Period and (y) five (5) days following the expiration of the Excess Contribution Option Period, the Company shall give written notice (a "Contribution Notice") to each Member specifying the amount of each Member's Proportionate Contribution Entitlement and the amount of the Additional Capital Contribution that each Member agreed to make. In the event that any Member(s) have not agreed to make an Additional Capital Contribution in the full amount of its Proportionate Contribution Entitlement (each such Member, a "Non-Contributing Member") and other Member(s) have elected to make an Additional Capital Contribution in the full amount of their respective Proportionate Contribution Entitlement (each such Member, a "Contributing Member"), then, except with respect to any amount for which a Capital Contribution Loan Request has been requested, (a) such Contributing Member(s) shall have the right to increase the amount of their respective Additional Capital Contribution to include all or any portion of the Non-Contributing Member's Proportionate Contribution Entitlement that the Non-Contributing Member declined to make (such amount, a "Residual Contribution Amount") in accordance with Section 4.2(h) and receive from the Company a number of additional ACC Units in accordance with Section 4.2(i) or (b) if Progress Energy is the Non-Contributing Member, then New Investor may elect, by notice to the Company (such notice, a "Withdrawal Notice") in accordance with Section 4.2(h), to withdraw its agreement to make an Additional Capital Contribution and, upon delivery of such Withdrawal Notice, the applicable Capital Call Notice shall be deemed withdrawn and the Company shall promptly repay to New Investor any amounts contributed to the Company by New Investor in respect of such Capital Call Notice.

(h) Within ten (10) Business Days following receipt of a Contribution Notice showing a Residual Contribution Amount (the "Residual Exercise Period"), unless New Investor has sent a Withdrawal Notice during the Residual Exercise Period, each Contributing Member shall send a written notice (a "Residual Exercise Notice") to the Company either (i) declining to increase the amount of its Additional Capital Contribution to include any portion of the Residual Contribution Amount or (ii) exercising its right to increase its Additional Capital Contribution and stating a percentage of the Residual Contribution Amount by which it desires to increase its Additional Capital Contribution (the "Additional Elected Portion"); provided that if the sum of the proposed Additional Capital Contributions set forth in all Residual Exercise Notices exceeds the Residual Contribution Amount, then the Residual Contribution Amount shall be allocated (A) first so that each Contributing Member shall be entitled to the lesser of (x) such Contributing Member's Additional Elected Portion and (y) such Contributing Member's Company Percentage Interest *multiplied by* the Residual Contribution Amount and (B) second, if there remains any Residual Contribution Amount (if any) after the allocation in clause (A) such remaining amount shall be allocated among the Contributing Members who have not received their full Additional Elected Portion in accordance with the methodology in clause (A) *mutatis mutandis* in successive iterations until the full Residual Contribution Amount is allocated; provided, however, that for the avoidance of doubt, if Progress Energy delivers a Residual Exercise Notice exercising its right to increase its Additional Capital Contribution with respect to at least eighty percent (80%) of the total Residual Contribution Amount, Progress Energy's Additional Capital Contribution shall be at least eighty percent (80%) of the total Residual Contribution Amount. If a Contributing Member does not send a Residual Exercise Notice within the Residual Exercise Period, it shall be deemed to have waived its right to increase the amount of its Additional Capital Contribution pursuant to Section 4.2(g).

(i) At the expiration of the Contribution Option Period or the Residual Exercise Period, as applicable, any Member electing to make an Additional Capital Contribution pursuant to Section 4.2(f) or Section 4.2(h) (an "Electing Member") shall make any such Additional Capital Contribution within (x) with respect to a Mandatory Capital Contribution, five (5) days, and (y) with respect to an Excess Capital Contribution, twenty (20) days, following its receipt of a Contribution Notice or Residual Exercise Notice, as applicable, or within ten (10) Business Days following the receipt of any and all required regulatory approvals, whichever is later (such date, the "ACC Deadline"), and as promptly as practicable thereafter, the Company shall issue to the Electing Member in respect of any Additional Elected Portion, the amount of ACC Units that can be purchased for such funded amount at a price per ACC Unit equal to (A) in the case of a Mandatory Capital Contribution, ninety percent (90%) of the Fair Market Value of the Company per ACC Unit or (B) subject to Section 4.2(j) in the case of an Excess Capital Contribution, Fair Market Value of the Company per ACC Unit, and, in each case, the Electing Member's and the Non-Contributing Member's respective Company Percentage Interests shall be adjusted accordingly. For the purposes of this Section 4.2(i), the Fair Market Value of the Company shall be measured as of the date of the underlying Capital Call Notice. In addition, the Company and each Electing Member shall take all such other actions as may be reasonably necessary to complete such Additional Capital Contribution, including entering into such additional agreements as may be necessary or appropriate.

(j) Capital Contribution Loans.

(i) If a Member has issued a Capital Contribution Loan Request (such Member, a "Requesting Member"), each other Member (each, a "Non-Requesting Member") shall have the right, but not the obligation, exercisable within ten (10) Business Days following receipt of a Contribution Loan Request, to (1) fund its Proportionate Contribution Entitlement in respect of such Excess Capital Contribution and (2) contribute to the Company on behalf of the Requesting Member all or part of the amount set forth in the Capital Contribution Loan Request and, to the extent a Non-Requesting Member makes such an Additional Capital Contribution on behalf of a Requesting Member in accordance with the terms of this Section 4.2(j), such Additional Capital Contribution shall be treated as a Capital Contribution Loan to the applicable Capital Contribution Loan Borrower for the amount so contributed; provided that if more than one Non-Requesting Member desires to make such Capital Contribution Loan, then each Non-Requesting Member may contribute the greater of (A) any amounts not contributed by the other Non-Requesting Members and (B) a proportional amount of the entire amount of the Excess Capital Contribution not funded by the Requesting Member based on its Company Percentage Interest relative to the Company Percentage Interest of all Non-Requesting Members desiring to make such Capital Contribution Loans. If a Non-Requesting Member exercises its rights to make a Capital Contribution Loan (such Member, the "Lending Member"), the applicable Capital Contribution Loan Borrower shall promptly (and in any event, no later than the ACC Deadline) execute a promissory note substantially in the form of Exhibit D and execute such other documents and instruments and take such further actions as are reasonably required by the Lending Member to give effect to this Section 4.2(j)(i). If within thirty (30) days after a Capital Contribution Loan Maturity Date any amount remains outstanding thereunder, then all or a portion of the outstanding amount under the Capital Contribution Loan may, at the election of the Lending Member (which shall be made in such Lending Member's sole discretion), be deemed to be an Additional Capital Contribution made by the Lending Member, and in satisfaction of the portion of the Capital Contribution Loan so elected by the Lending Member to be converted into ACC Units ("Specified Loan Amount"), the Company shall issue to the Lending Member ACC Units in the amount that can be purchased for such Specified Loan Amount at a price per Unit equal to ninety percent (90%) of the Fair Market Value of the Company (measured as of the Capital Contribution Loan Maturity Date) per ACC Unit, and the Company Percentage Interest of each Member shall be adjusted accordingly.

(ii) In the event a Lending Member makes a Capital Contribution Loan to New Investor Parent pursuant to Section 4.2(j)(i), New Investor Parent will be deemed to have contributed an amount equal to the Capital Contribution Loan to New Investor and New Investor will be deemed to have made an Additional Capital Contribution to the Company in an amount equal to the amount of the Capital Contribution Loan.

(iii) If a Requesting Member has delivered a Capital Contribution Loan Request and a Non-Requesting Member elects to fund its Proportionate Contribution Entitlement and make a Capital Contribution Loan in accordance with Section 4.2(j)(i), the Requesting Member shall be deemed to have satisfied its Proportionate Contribution

Entitlement in respect of the underlying Excess Capital Contribution, no ACC Units shall be issued to the Members in connection therewith and there shall be no change to any Member's Company Percentage Interest.

(iv) If each Non-Requesting Member elects not to make a Capital Contribution Loan in accordance with Section 4.2(j)(i), such Excess Capital Call shall be deemed to have been withdrawn by the Company and no ACC Units shall be issued to any Member in connection therewith. To the extent that any Member has already made any Additional Capital Contribution in connection with the underlying Excess Capital Call, any such amounts shall be promptly returned to such Member.

(k) If a Member refuses or fails to timely make all or any portion of its Proportionate Contribution Entitlement of any Additional Capital Contribution (such unfunded amount, the "Unfunded Amount") pursuant to this Section 4.2, the Company shall provide written notice thereof to the Members (such notice, a "Contribution Unfunded Amount Notice"). Other than with respect to a Mandatory Capital Contribution, notwithstanding anything to the contrary in this Section 4.2 or elsewhere in this Agreement, but subject to Section 4.2(j)(iv), on or before the thirtieth (30th) day following the date of the Contribution Unfunded Amount Notice, such Non-Contributing Member may make a contribution to the Company equal to the sum of the Unfunded Amount following which the former Non-Contributing Member shall be deemed to have cured its failure to pay its Proportionate Contribution Entitlement of any Additional Capital Contribution prior to the Capital Call Request Funding Date with respect to the applicable Capital Call Notice.

(l) In the event that New Investor delivers a Capital Contribution Loan Request on two (2) occasions, from and after the delivery of the second Capital Contribution Loan Request, Progress Energy may (but is not required to), at its option, acquire all (but not less than all) of the Units held by the New Investor Group (the "Call Right") by giving revocable written notice (a "Call Notice") to New Investor within thirty (30) days following receipt of the second Capital Contribution Loan Request (the "Call Notice Period") of its election to exercise the Call Right; provided that New Investor shall have sixty (60) days following a Call Notice to withdraw the most recent Capital Contribution Loan Request by (A) funding its Proportionate Contribution Entitlement in respect of the applicable Capital Call for any Excess Capital Contribution within such sixty- (60-) day period or (B) if Progress Energy has already made a Capital Contribution Loan in respect of such Capital Contribution Loan Request, by paying to Progress Energy the amount of such Capital Contribution Loan (including all accrued interest thereon) within such sixty- (60-) day period. If Progress Energy has delivered a Call Notice within the Call Notice Period, Progress Energy shall have one hundred and eighty (180) days from delivery of the Call Notice to consummate the purchase of New Investor's Units pursuant to this Section 4.2(l). If Progress Energy does not deliver the Call Notice to exercise its Call Right within the applicable Call Notice Period or revokes the Call Notice prior to the consummation of the purchase of New Investor's Units, then the Call Right shall expire solely with respect to the two (2) Capital Contribution Loan Requests giving rise to such Call Right and New Investor shall be deemed to have made no Capital Contribution Loan Requests on or prior to such time under this Section 4.2(l). The purchase price payable by Progress Energy in connection with the exercise of the Call Right shall be equal to the product of (i) the Call Value (measured as of the date of the delivery of the Call Notice to New Investor) *multiplied by* (ii) the New Investor Group's Company Percentage Interest at such time (the amount equal to such product, the "Call Exercise Price"); provided that the Call

Exercise Price shall in no event be less than an amount equal to (1) (x) the New Investor Group's Company Percentage Interest, *multiplied by* (y) the Reference Amount *less* the consolidated Debt of the Company as of the date the applicable Call Notice is delivered, *plus* (2) the New Investor Backleverage Make-Whole Amount. If the Call Right is exercised by Progress Energy, each of Progress Energy and New Investor shall take all actions as may be reasonably necessary to consummate the transactions contemplated by this Section 4.2(l) within the Regulatory Approval Period, including entering into agreements and delivering certificates and instruments and consents as may be deemed necessary. If New Investor fails to take all actions necessary to consummate the purchase and sale of the Units held by the New Investor Group in accordance with this Section 4.2(l) prior to the expiration of the Regulatory Approval Period, then New Investor shall be deemed to be in material breach of this Agreement for purposes of Article IX and for all other purposes hereunder, and shall be deemed to have granted (and hereby grants, contingent only on the occurrence of such failure) an irrevocable appointment of any Person nominated for the purpose by Progress Energy to be the New Investor Group's agent and attorney to execute all necessary documentation and instruments on its behalf to Transfer the New Investor Group's Units as the holder thereof, in each case consistent with the provisions of this Section 4.2(l). At the consummation of any purchase and sale pursuant to this Section 4.2(l), New Investor shall sell to Progress Energy all of the Units owned by the New Investor Group in exchange for the Call Exercise Price. Contemporaneously with its receipt from Progress Energy of the Call Exercise Price, the New Investor Group shall Transfer to Progress Energy all of the Units owned by the New Investor Group, free and clear of all Liens. New Investor shall use commercially reasonable efforts to cooperate with and provide reasonable assistance to Progress Energy in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Authorities to consummate the transactions contemplated by this Section 4.2(l).

(m) With respect to any Capital Call to fund amounts for Qualifying Core Assets or Necessary Expenses during the Contribution Option Period, if the Company reasonably anticipates that such amounts are in excess of the funds reasonably available to the Company from other sources (i.e., insufficient budgeted reserves or other sources of liquidity) (for which the Contribution Notice in respect of such Capital Call shall state is pursuant to this Section 4.2(m)), Progress Energy may elect to contribute part or all of its Proportionate Contribution Entitlement of the Additional Capital Contributions in respect of the related request therefor prior to the applicable Capital Call Request Funding Date (collectively, an "Early Contribution"), and following such Early Contribution may participate in any Residual Contribution Amount process pursuant to the terms of this Section 4.2. Any Early Contribution will be treated as a capital contribution by Progress Energy in satisfaction of the Capital Call and not as a loan from such Member to the Company and be deemed to be made on the date such capital contribution would have otherwise been made if not made as an Early Contribution to the Company. For the avoidance of doubt, each other Member shall remain entitled to fund on the timelines set forth in this Agreement.

Section 4.3 Third Party Investors.

(a) In the event that, following the ACC Deadline, the Company has not received Additional Capital Contributions from the Members in the full amount of the Mandatory Capital Contributions requested pursuant to a Capital Call, the Board may, in accordance with Section 6.7, authorize the Company to seek additional equity funds from Third-Party Investors in

an amount up to the difference between the total Mandatory Capital Contributions requested and the total Additional Capital Contributions received, and to issue New Units to Third-Party Investors in connection therewith pursuant to this Section 4.3 at a price per Unit that is no lower than the price per Unit notified to Members in connection with such Capital Call.

(b) If the Board determines to seek additional equity funds from and issue New Units to Third-Party Investors pursuant to Section 4.3(a), (i) the Company must enter into a definitive agreement with respect to such issuance within one hundred eighty (180) days following the ACC Deadline and (ii) such issuance must be completed within the Regulatory Approval Period. If such issuance has not been completed within the Regulatory Approval Period, the Company shall not thereafter issue any New Units to Third-Party Investors without first complying with all of the provisions of Section 4.2. Upon completion of any such issuance of New Units to a Third-Party Investor, the Company shall give written notice to the Members of such issuance, which notice shall specify (A) the total number of New Units issued, (B) the price per Unit at which the Company issued the New Units and (C) any other material terms of the issuance.

(c) In the event that the Company issues New Units to one or more Third-Party Investors pursuant to this Article IV, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect such additional Members.

Section 4.4 Preemptive Rights.

(a) The Company grants to each Member, and each Member shall have, the right to purchase, in accordance with the procedures set forth herein, such Member's pro rata portion of any (i) New Units or (ii) any other Equity Interests, that are structurally senior to the Units at such time, (clauses (i) and (ii), the "Subject Interests") which the Company or its Subsidiaries may, from time to time, propose to sell and issue (hereinafter referred to as the "Preemptive Right"); provided, however, that the Preemptive Right shall not apply with respect to Subject Interests issued or to be issued (A) in connection with any merger, consolidation, acquisition or other distribution or any similar transaction or any reorganization or recapitalization in each case where Subject Interests are issued on a pro rata basis to all Members for or in respect of previously outstanding Units, (B) in any public offering, (C) in connection with any incurrence of any Debt in accordance with Section 7.2(e) and (D) any Units issued pursuant to the Investment Agreement.

(b) In the event that the Company or any of its Subsidiaries proposes to issue and sell Subject Interests, the Company shall notify each Member in writing with respect to the proposed Subject Interests to be issued (the "New Units Notice"). Each New Units Notice shall set forth: (i) the number of Subject Interests proposed to be issued by the Company and their purchase price; (ii) such Member's pro rata portion of Subject Interests; and (iii) any other material term, including any applicable regulatory requirements and, if known, the expected date of consummation of the purchase and sale of the Subject Interests.

(c) Each Member shall be entitled to exercise its right to purchase such Subject Interests by delivering an irrevocable written notice to the Company within thirty (30) days from the date of receipt of any such New Units Notice specifying the number of Subject

Interests to be subscribed, which in any event can be no greater than such Member's pro rata portion of such Subject Interests at the price and on the terms and conditions specified in the New Units Notice.

(d) If the Members do not elect within the applicable notice periods described above to exercise their preemptive rights with respect to any of the Subject Interests proposed to be sold by the Company, the Company shall have ninety (90) days after expiration of all such notice periods to sell or to enter into an agreement to sell such unsubscribed Subject Interests proposed to be sold by the Company, at a price and on terms no more favorable to the purchaser than those offered to the Members.

(e) No Member will be required to take up and pay for any Subject Interests pursuant to the Preemptive Right unless all Subject Interests (other than those to be taken up by the Member) are sold, whether to the other Members or pursuant to Section 4.4(d).

ARTICLE V

DISTRIBUTIONS

Section 5.1 Distributions.

(a) Except as otherwise provided herein and subject to the LLC Act, all Distributable Cash as of the end of a fiscal quarter shall be distributed quarterly, no later than sixty (60) days after the end of each fiscal quarter (the date on which such distribution is made, which shall not be more than sixty (60) days after the end of each fiscal quarter, the "Distribution Date"), to the Members pro rata in proportion to their respective Company Percentage Interests; provided that, for any fiscal quarter, such distribution shall be prorated based on the number of days each Member held an applicable Company Percentage Interest during such fiscal quarter; provided, further, that, for the fiscal quarter in which the First Closing occurs, (x) notwithstanding anything to the contrary in this Section 5.1(a), the distribution shall be made to the Members pro rata in proportion to their respective Company Percentage Interests, assuming that each Member owned its Company Percentage Interest as of the First Closing since the first day of such quarter and (y) Progress Energy shall provide Investor with supporting calculations for the distribution for such quarter in advance of the Distribution Date and shall consider in good faith and incorporate all mutually-agreed comments, if any, submitted by New Investor with respect to such calculations. All other distributions by the Company shall be made to the Members pro rata in proportion to their respective Company Percentage Interests. The Company shall not make any distribution of property in kind, except in connection with a dissolution of the Company pursuant to Article IX.

(b) If, in a given fiscal quarter, the Board intends to declare a distribution pursuant to Section 5.1(a) (a "Distribution") and to make a Mandatory Capital Call pursuant to Section 4.2(b), it shall use commercially reasonable efforts to cause such Distribution Date to align with such Capital Call Request Funding Date. The Members agree and intend that the appropriate U.S. federal income tax treatment of any Distribution (or portion thereof) made to Progress Energy or New Investor pursuant to this Section 5.1 that is recontributed to the Company as a Mandatory Reinvestment in accordance with Section 4.2(d) is not as a distribution for U.S. federal income tax purposes but rather as if the amount of such Distribution (or such portion

thereof) was not distributed (the "Intended Tax Treatment"). Each of the Members and the Company shall file, and shall cause their respective Affiliates to file, their Tax Returns consistent with the Intended Tax Treatment except as otherwise required by a change in applicable Law or a determination within the meaning of Section 1313 of the Code.

(c) At any time there is a Capital Contribution Loan outstanding, Distributable Cash distributed to the applicable Capital Contribution Loan Borrower (or, in the case of New Investor Parent, New Investor) pursuant to Section 5.1(a), which, in the case of New Investor Parent only, are in excess of (x) the Capital Call Loan Payback Threshold and (y) any reserved amounts to fund an outstanding Capital Call by the Company shall be paid by the Capital Contribution Loan Borrower (or in the case of New Investor Parent, New Investor on behalf of New Investor Parent) directly to the Lending Member until any outstanding Capital Contribution Loan made to such Capital Contribution Loan Borrower is paid in full, with such payments to be applied first to satisfy any accrued but unpaid interest with respect to such Capital Contribution Loan and then to repay any remaining principal with respect to such Capital Contribution Loan; provided that if the New Investor Financing is no longer outstanding, in the case of a Capital Contribution Loan from Progress Energy, such Distributable Cash, less any amount required to fund an outstanding Capital Call by the Company, shall be paid by the Company directly to Progress Energy to be applied to such Capital Contribution Loan. For the avoidance of doubt, any amounts used to repay Capital Contribution Loans on behalf of New Investor Parent pursuant to this Section 5.1(c) shall be deemed to have first been distributed to New Investor, then distributed by New Investor to New Investor Parent and paid to the Lending Member by the New Investor to repay the Capital Contribution Loans.

Section 5.2 Restrictions on Distributions. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Units if such distribution would violate the LLC Act or other applicable Law.

ARTICLE VI

MANAGEMENT

Section 6.1 Management by Managers.

(a) The Company shall be managed by a Board of Managers (the "Board") in accordance with the LLC Act and the provisions of this Agreement, and no Member, by virtue of having the status of a Member, shall have any management power over the business and affairs of the Company or any actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Company, nor shall any Member in his or her capacity as a Member, be entitled to vote on any matter other than as specifically required by the LLC Act or as expressly set forth in this Agreement, in which case each Member shall be entitled to a number of votes equal to such Member's Company Percentage Interest at the time of such vote. The business and affairs of the Company shall be managed by the Managers elected in accordance with this Section 6.1 acting exclusively through the Board in accordance with the LLC Act and this Agreement, except as expressly delegated to any other Person by the Board or this Agreement. No Manager shall be permitted to take any action in the name of the Company without the prior approval of the Board or the Members as required by this Agreement, nor shall any Manager have

any actual or apparent authority to enter into contracts on behalf of, or to otherwise bind, the Company unless authorized by the Board. In addition to the powers that now or hereafter can be granted under the LLC Act and all other powers granted under any other provision of the LLC Act or this Agreement (and subject to the terms and conditions set forth herein), the Board shall have full power and authority, and is hereby authorized and empowered by the Members, on behalf and in the name of the Company, to (i) do all things on such terms as they may deem necessary or appropriate to conduct, or cause to be conducted, the business and affairs of the Company and (ii) subject to the terms and conditions set forth in this Agreement, delegate any and all authority or responsibility granted to the Board pursuant to this Agreement to one or more other Persons, including to any agents, officers or employees of the Board or the Company. Notwithstanding anything to the contrary herein or in any other agreement, all material matters and decisions with respect to the Company and any Subsidiary of the Company, including each of the matters set forth on Exhibit C, shall require the approval of the Board, and Progress Energy and the Company shall not permit any Subsidiary of the Company to take any action that requires such approval or any other approval required hereunder prior to such approval of the Board or any other approval required hereunder being obtained.

(b) Except as otherwise provided by Section 6.1(c), upon the First Closing and during the term of this Agreement, the Board shall consist of eleven (11) Managers, of which two (2) Managers shall be designated by the New Investor Group (each, a "New Investor Designee") and nine (9) Managers shall be designated by Progress Energy (each, a "Progress Energy Designee"). Each of the Members shall take all actions as may be reasonably necessary to cause the Board to consist of such number of Progress Energy Designees and New Investor Designees.

(c) Notwithstanding anything herein to the contrary, (i) if at any time after the Final Closing the aggregate Company Percentage Interest of the New Investor Group is less than the Requisite Two-Manager Appointment Percentage, then the New Investor Group shall thereafter only have the right to designate one (1) New Investor Designee and (ii) if at any time the aggregate Company Percentage Interest of the New Investor Group decreases to less than the Requisite Manager Appointment Percentage, then the New Investor Group shall cease to have any right to designate any Managers pursuant to this Section 6.1 and, in each case of (i) and (ii) the total number of Managers constituting the entire Board shall be adjusted accordingly. In the event that the aggregate Company Percentage Interest of the New Investor Group decreases such that New Investor Group would be entitled to appoint a number of New Investor Designees that is less than the number of New Investor Designees then serving on the Board, the New Investor Group will, as promptly as practicable (but in any event, within five (5) days of such decrease), designate (in New Investor's sole discretion) one or more New Investor Designees for removal from the Board, such that the number of New Investor Designees serving on the Board is equal to the number of New Investor Designees that the New Investor Group is entitled to appoint at such time pursuant to this Section 6.1(c), such removal or removals being effective immediately upon such designation of removal (a "New Investor Removal Designation"). If the New Investor Group fails to timely make the New Investor Removal Designation, then the Company shall provide written notice of such failure to New Investor. If the New Investor Group subsequently fails to effect such New Investor Removal Designation within twenty-four (24) hours of receipt of such written notice, Progress Energy may make the New Investor Removal Designation (in Progress Energy's sole discretion). Each of the Members shall take all actions as may be reasonably necessary to

implement the foregoing changes as promptly as practicable, including voting to remove or causing the resignation of the appropriate Manager and voting to decrease the size of the Board.

(d) Notwithstanding any other provision of this Agreement, the Managers and Members agree that to the fullest extent permitted by the LLC Act:

(i) Managers shall have the same fiduciary duties to the Company as directors of a corporation incorporated under the Delaware General Corporations Law. Except to the extent elimination or limitation of liability would not be permitted under the LLC Act or by applicable Law if the Company were a corporation incorporated under the Delaware General Corporations Law, no Manager shall be personally liable to the Company or its Members for monetary damages for any breach of fiduciary duty in such capacity. Any repeal or modification of this Section 6.1(d)(i) by the Members of the Company shall not adversely affect any right or protection of a Manager existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification. The Managers and Members acknowledge and agree that the enforcement or exercise by an Investor Member or any New Investor Designee of any of its rights under Section 3.6(b), Section 7.1 and Section 7.3 shall in no event constitute a violation of fiduciary duties of an Investor Member or any New Investor Designee, which are hereby disclaimed in all respects with respect thereto; and

(ii) Each Officer (in such Person's capacity as an officer) shall have the same fiduciary duties that an officer of the Company would have if the Company were a corporation incorporated under the Delaware General Corporations Law, and the Company and its Members shall have the same rights and remedies in respect of such duties as if the Company were a corporation incorporated under the Delaware General Corporations Law and the Members were its stockholders.

(e) Managers, as such, shall receive reimbursement for their reasonable and out-of-pocket expenses incurred in connection with their services as Managers.

Section 6.2 Removal. The Members covenant and agree that, upon the written request or motion of Progress Energy that any or all of the Progress Energy Designees be removed from the Board, they will vote their Units or act by written consent with respect to such Units so as to cause such Manager or Managers to be removed in accordance with such request or motion. The Members covenant and agree that, upon the written request or motion of the New Investor Group that any or all New Investor Designees be removed from the Board, they will vote their Units or act by written consent with respect to such Units so as to cause such Manager or Managers to be removed in accordance with such request or motion. Except as provided in Section 6.1(c), each of the Members shall have the sole power to remove or request the removal under this Section 6.2 of the Managers that were designated by such Member.

Section 6.3 Vacancies. If at any time a vacancy is created on the Board by reason of the death, removal or resignation of any Manager (except for the removal or resignation of Managers pursuant to Section 6.1 in connection with a reduction of a Member's Company Percentage Interest), the Members shall, as promptly as practicable, vote their Units or act by

written consent with respect to such Units to elect the individual designated to fill such vacancy by the Member(s) who designated such former Manager to fill such vacancy.

Section 6.4 Board Observer. (a) For so long as a Member together with its Affiliates holds an aggregate Company Percentage Interest that is greater than or equal to the Requisite Observer Appointment Percentage but less than the Requisite Two-Observer Appointment Percentage, such Member shall be entitled to appoint one person to serve as an observer of the Board (a "Board Observer"), (b) for so long as a Member together with its Affiliates holds an aggregate Company Percentage Interest that is greater than or equal to the Requisite Two-Observer Appointment Percentage but less than the Requisite Three-Observer Appointment Percentage, such Member shall be entitled to appoint two (2) persons to serve as Board Observers and (c) for so long as a Member together with its Affiliates holds an aggregate Company Percentage Interest that is greater than or equal to the Requisite Three-Observer Appointment Percentage, such Member shall be entitled to appoint three (3) persons to serve as Board Observers; provided that from and after the First Closing until the Final Closing, New Investor shall be entitled to appoint three (3) persons to serve as Board Observers whether or not New Investor holds the Requisite Observer Appointment Percentage, the Requisite Two-Observer Appointment Percentage or the Requisite Three-Observer Appointment Percentage. Any Board Observer shall have the right to receive notice of, attend and participate in all meetings of the Board and to receive all information, in each case, at the same time and in the same manner as provided to Managers; provided, however, that the Company reserves the right to withhold any information and to exclude any such Board Observers from any meeting or any portion thereof to the extent (and only to the extent) access to such information or attendance at such meeting is reasonably necessary to preserve the attorney-client or other legal privilege of the Company or result in a conflict of interest. No Board Observer shall have any voting rights with respect to any matter brought before the Board or any fiduciary obligations to the Company or the Members, but each Board Observer shall be bound by the same confidentiality obligations as the Managers as set forth in Section 14.11. A Member may cause its Board Observer to resign or appoint a replacement Board Observer from time to time by giving written notice to the Company. Subject to the proviso in the first sentence of this Section 6.4, in the event that a Member's Company Percentage Interest decreases to less than the requisite Company Percentage Interest required for the number of Board Observers that have been appointed by such Member at such time, such Member shall immediately cause the applicable number of Board Observers to resign and the last sentence of Section 6.1(c) shall apply *mutatis mutandis*. Notwithstanding anything in this Agreement to the contrary, in no event shall the total number of Board Observers appointed by the New Investor Group exceed three (3).

Section 6.5 Chairman. The Board shall, from time to time, appoint one of the Managers as Chairman of the Board (the "Chairman"). For so long as Progress Energy's Company Percentage Interest is greater than fifty percent (50%), the Chairman shall be selected by Progress Energy from among the Progress Energy Designees.

Section 6.6 Directors' and Officers' Insurance. The Company shall maintain directors' and officers' insurance coverage for the Managers so long as at least one Progress Energy Designee or New Investor Designee is on the Board.

Section 6.7 Board Action. Except to the extent otherwise required by the LLC Act, the Company shall operate pursuant to the following provisions with respect to Board action:

(a) Regular meetings of the Board for each calendar year shall be scheduled by the Managers either prior to, or as promptly as practicable after, the beginning of each such calendar year, but in any event shall require at least ten (10) Business Days' notice either in writing, electronically via email or telephonically (if telephonically, confirmed promptly in writing by the Company).

(b) Special meetings of the Board shall require at least four (4) Business Days' notice either in writing, electronically via email or telephonically (if telephonically, confirmed promptly in writing by the Company); provided that, to the extent reasonably necessary for the Board to address an emergency situation, special meetings of the Board shall require at least two (2) Business Days' notice, and such notice period may be shortened or waived by unanimous approval of the Board.

(c) With respect to any meeting of the Board, each Manager shall be entitled to a number of votes equal to the Company Percentage Interest of the Member(s) designating such Manager at the time of such vote *divided by* the number of Managers designated by such Member(s) (or (i) in the event that less than all of the New Investor Designees are present at a Board meeting, the Company Percentage Interest of the New Investor Group *divided by* the number of New Investor Designees present at such meeting and (ii) in the event that less than all of the Progress Energy Designees are present at a Board meeting, the Company Percentage Interest of Progress Energy *divided by* the number of Progress Energy Designees present at such meeting). The Chairman will not have any other vote in addition to his or her vote as a Manager.

(d) Except as otherwise provided in this Agreement and subject to Section 7.1, action by the Board shall be taken by the affirmative vote of a majority of the Company Percentage Interest (as voted pursuant to Section 6.7(c)).

(e) A quorum for a Board meeting shall be a majority of the Company Percentage Interest represented by the Board, which majority must include at least one New Investor Designee; provided, however, that, during such time as there is at least one New Investor Designee on the Board, if a quorum is not present at any Board meeting because of the failure of such New Investor Designee(s) to be present, then a quorum for the subsequent special or regular Board meeting shall not require that a New Investor Designee be present.

(f) Regular Board meetings will be held at least quarterly and special meetings of the Board shall be called by the Company upon the written request of any Manager. At least four (4) regular meetings of the Board shall be held in each calendar year beginning in 202[•].

(g) Members of the Board may participate in and act at any meeting of the Board by means of a conference telephone or other communications equipment (including video conference) by means of which all persons participating in the meeting can simultaneously hear each other. Participation in such manner shall constitute attendance and presence in person at a meeting of the Person or Persons so participating.

(h) Unless otherwise prohibited by law, any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if each Manager executes a consent thereto in writing, setting forth the action so taken and the writing or writings are filed with the minutes of the proceedings of the Board.

(i) A Manager who is present at a meeting of the Board when action is taken shall be deemed to have assented to the action taken unless: (A) he objects at the beginning of the meeting (or promptly upon his arrival) to holding such meeting or transacting business at such meeting; (B) his dissent or abstention from the action taken is entered in the minutes of such meeting; or (C) he delivers written notice of his dissent or abstention to the presiding officer of the meeting before the adjournment thereof or to the secretary immediately after the adjournment of such meeting. The right of dissent or abstention is not available to a Manager who votes in favor of the action taken.

(j) With respect to any meeting or action or decision of the Board regarding any matter or action (an "Interested Member Matter") in respect of (i) the enforcement by the Company of its rights under this Agreement against any Member or by any Member of its rights under this Agreement against the Company or (ii) enforcement (A) by the Company of its rights or the rights of a Subsidiary under any Affiliate Transaction or (B) by any Member or any Affiliate of a Member of its rights under an Affiliate Transaction against the Company or a Subsidiary thereof (in each case, such Member, an "Interested Member"), neither the Interested Member nor any Manager appointed by such Interested Member (the "Interested Member Manager"), if any, shall be entitled to vote or otherwise participate in any action or decision by the Board in respect of such Interested Member Matter; provided that the Interested Member Manager(s) may observe, attend or otherwise participate in any meeting of the Board for the limited purpose of expressing the views of such Interested Member Manager(s) with respect to such Interested Member Matter. Subject to the foregoing provisions of this Section 6.7(j), the attendance of the Interested Member Manager appointed by an Interested Member shall not be required in order (x) for any meeting of the Board to be duly called or convened to the extent such meeting is limited to discussing or taking action on the Interested Member Matters with respect to such Interested Member; provided that the Interested Member Manager of such Interested Member shall be entitled to prior notice of such meeting in accordance with this Agreement, or (y) for any Board action or decision to be taken with respect to the Interested Member Matters related to such Interested Member.

Section 6.8 Working Groups.

(a) The Members agree to cause the Board to establish certain working groups of Managers ("Working Groups"), which shall provide the members of such Working Groups with a forum to discuss certain topics in smaller groups, which shall include at least the following: (i) a finance, audit and risk working group ("Finance and Audit Working Group"); (ii) a compensation working group ("Compensation Working Group"); and (iii) an operations and regulatory working group ("Operations and Regulatory Working Group").

(b) The duties of the Finance and Audit Working Group shall include: (i) review of the selection of the independent accountants, taking into account the independent accountants engaged by Duke and the economic efficiencies associated therewith; (ii) review of

the scope of the accountants' examination and other services; (iii) review of financial statements (including auditors' opinions and management letters; review of financial and/or fiscal policies and policy decisions); (iv) review of the duties and responsibilities of the Officer with internal auditing responsibility; (v) review of the scope of such Officer's work and review of the results thereof; (vi) monitoring of internal programs to ensure compliance with Laws and regulations (including political contributions and hiring of consultants for political and regulatory matters); and (vii) review of the budget and five- (5-) year financial plan of the Company and its Subsidiaries, liquidity, cash planning and treasury, financing and capital market activities and other finance matters.

(c) The duties of the Compensation Working Group shall include review of salaries, incentives and benefits paid to Officers and the annual review of all significant financial relationships which Managers and Officers directly or indirectly have with the Company or its Subsidiaries.

(d) The duties of the Operations and Regulatory Working Group shall include the review of plant operations, operations and maintenance, review of capital projects, environmental, health and safety matters, systems and cyber-security, regulatory strategy and rates and other operational and regulatory matters.

(e) (i) Progress Energy shall have the right to designate four (4) or more Managers to each Working Group and (ii) (A) from and after the First Closing until the Final Closing and (B) from and after the Final Closing, for so long as the New Investor Group owns at least the Requisite Two-Manager Appointment Percentage, the New Investor Group shall have the right to designate two (2) Managers to each Working Group. Notwithstanding the foregoing, (x) if at any time after the Final Closing the aggregate Company Percentage Interest of the New Investor Group is less than the Requisite Two-Manager Appointment Percentage, then the New Investor Group shall thereafter only have the right to designate one (1) Manager to each Working Group and (y) if at any time after the Final Closing the aggregate Company Percentage Interest of the New Investor Group decreases to less than the Requisite Manager Appointment Percentage, then the New Investor Group shall cease to have any right to designate any members to any Working Groups. For so long as the New Investor Group has the right to designate at least one (1) Manager to each Working Group, one (1) Board Observer appointed by the New Investor Group shall also be permitted to attend any meeting or discussion of each Working Group.

(f) To the extent applicable, Section 6.7 shall apply to each Working Group and its members *mutatis mutandis*. The Working Groups shall have only advisory powers, and the advice of the Working Groups must be ratified by the Board to be binding on the Company or the Board.

(g) Solely if necessary to comply with the Atomic Energy Act of 1954, as amended, restrictions on foreign ownership, control or domination of an NRC licensee by a foreign entity, the Company shall establish a "Special Nuclear Committee" of the Board responsible for overseeing DEF's activities pursuant to NRC License No. DPR-72. Such committee shall be chaired by the chairman of the Board and consist of at least three (3) other Managers, all of whom shall be Progress Energy Designees who are U.S. citizens. The Company shall maintain such committee only for so long as DEF is a licensee under License No. DPR-72

and shall disband the committee immediately upon release, transfer, or relinquishment of such license.

Section 6.9 Officers.

(a) The Officers of the Company may be elected or removed by the Board, but shall at all times include a (i) State President — Florida, (ii) Chief Financial Officer, (iii) General Counsel — Florida, (iv) Regional SVP Power Grid Operations – Florida, (v) VP Florida Power Generation Operations and (vi) Vice President of Rates & Regulatory Strategy (in each case, or similarly titled roles or roles with substantially similar authority) and such other Officers and agents as the Board may deem appropriate (or similarly titled roles or roles with substantially similar authority); provided that the person serving as the General Counsel – Florida may also serve as the Vice President of Rates & Regulatory Strategy. The Board shall consult reasonably with New Investor prior to the election or removal of each such Officer, and New Investor will be invited to participate in any interviews of shortlisted candidates for any such office.

(b) Subject to Section 6.9(a), (i) the Officers of the Company shall be elected by action of the Board and shall hold office until their successors are elected and qualified or until their earlier death, resignation or removal from office, and (ii) any Officer or agent of the Company may be removed, with or without cause, by the Board whenever in its judgment the best interests of the Company will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the Person so removed. Election or appointment of an Officer or agent shall not of itself create contract rights. Any vacancy in any office because of the death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

Section 6.10 Existing Affiliate Relationships.

(a) Subject to Section 7.1(a), the parties acknowledge that certain Affiliates of the Company provide various services to the Company and its Subsidiaries, including tax, accounting, human resources, legal, financial, information technology, regulatory, environmental, safety, construction and engineering services, and that all such services shall, to the extent consented to or permitted under Section 7.1(a), continue in the ordinary course of business following the date hereof.

(b) Notwithstanding anything to the contrary in this Agreement, Progress Energy shall ensure, and will ensure as of the Effective Date, that all methodologies used to allocate affiliate costs to DEF are and will be consistently applied across all of Duke's constituent businesses. Except for ordinary course amendments that do not involve changes to pricing or cost allocation methodology, Progress Energy agrees to disclose all proposed material amendments to Affiliate Transactions (including Existing Affiliate Transactions), affiliate standards and cost allocation methodology to each Investor 4.9% Member at least ten (10) Business Days before any proposed amendment, filing or submission to the FPSC for review and if such Investor 4.9% Member requests, meet with such Investor 4.9% Member to discuss the proposed changes. Investor 4.9% Members shall have the right to consent to such amendment solely to the extent provided under Section 7.1(a). All Affiliate Transactions shall be entered into and carried out in accordance with the requirements of any applicable Law or order of a

Governmental Authority (including, for the avoidance of doubt, on such terms and conditions as may be required to obtain the approval of the applicable Governmental Authority in respect of such transaction).

Section 6.11 Prohibited Payments; Prohibited Transactions; Compliance.

(a) Each of the Members shall, and will direct its respective Affiliates to, comply fully with all applicable anti-corruption, anti-money laundering, anti-terrorism and economic sanction and anti-boycott laws, including international anti-corruption conventions such as the United Nations Convention Against Bribery, and the United States Foreign Corrupt Practices Act, and in each case, any applicable implementing legislation ("Anti-Corruption Laws").

(b) Each of the Members has not and will not, either directly or indirectly, make a Prohibited Payment or engage in a Prohibited Transaction with respect to its obligations under this Agreement and will direct its respective Affiliates not to make, either directly or indirectly, a Prohibited Payment or engages in a Prohibited Transaction with respect to their respective obligations under this Agreement.

(c) Each of the Members agrees to notify the other Members upon gaining knowledge that a Prohibited Transaction or Prohibited Payment related to the obligations set forth in this Agreement may have occurred and to cooperate in good faith with each other to determine whether a Prohibited Transaction or Prohibited Payment has occurred.

(d) The Company and its Subsidiaries shall use reasonable best efforts to (i) implement and maintain appropriate policies and procedures and (ii) procure or ensure that they, and any of their employees, officers, directors, managers, agents or any third party acting on their behalf or for their benefit (collectively "Relevant Parties") conduct their businesses in conformity with applicable Laws and regulations, including Anti-Corruption Laws and Laws relating to money laundering, sanctions measures or embargos, export transactions, foreign investment and national security (collectively, the "Applicable Laws").

(e) The Company shall promptly notify New Investor of (i) the initiation by any Governmental Authority of any investigation or any enforcement, regulatory or other proceeding in relation to any material violation of Applicable Laws against any of the Relevant Parties and (ii) of the outcome, when resolved, of any such investigation or proceedings.

Section 6.12 Transfers. Subject to and in compliance with the provisions of this Agreement, including Article XI, a Member shall have the right to assign or Transfer any of its rights under this Agreement to the transferee that, directly or indirectly, acquires such Member's Units in the Company (including, for the avoidance of doubt, the right to appoint Managers or Board Observers should such transferee hold the applicable Company Percentage Interest as required hereunder following the consummation of such Transfer).

ARTICLE VII

CERTAIN INVESTOR PROTECTIONS

Section 7.1 Major Decisions. Notwithstanding anything to the contrary in this Agreement, the Company shall not, and shall not permit its Subsidiaries to, and no Member shall take any action to permit or cause the Company or its Subsidiaries to, directly or indirectly (whether by merger, consolidation or otherwise), enter into or effectuate any of the following actions (each, except to the extent such action is required to be taken under Applicable Overriding Law and no alternatives to the taking of such action exist under applicable Law, a "Major Decision"), in each case, without the prior affirmative vote of a majority of the Managers constituting the entire Board at such time at a duly convened meeting at which a quorum is present or pursuant to a unanimous written consent, in each case, in accordance with Section 6.7, and (i) in the case of the items marked in their title "Manager Matter," which majority of the Board shall include at least one New Investor Designee, (ii) in the case of the items marked in their title "Investor 4.9% Matter," the affirmative prior written consent of each Investor 4.9% Member, and (iii) in the case of the items marked in their title "Investor Matter," the affirmative prior written consent of each Investor Member; provided that with respect to any item that requires the consent of an Investor Member and is a Major Decision solely because it adversely affects an Investor Member in a manner different from another Person, only the consent of the adversely affected Investor Member shall be required for such item under this Section 7.1:

(a) Affiliate Transactions (Investor 4.9% Matter): Any new transactions, contracts or agreements (and any amendments, restatements, modifications or changes to any existing transactions contracts or agreements) (i) between the Company or any Subsidiary of the Company, on the one hand, and any Member or any Affiliate of a Member (other than the Company and its Subsidiaries), on the other hand or (ii) between the Company or any Subsidiary of the Company and any third party, the benefits of which accrue to any Member or any Affiliate of a Member (other than the Company and its Subsidiaries) other than in its capacity as a Member of the Company (each, an "Affiliate Transaction") other than Affiliate Transactions entered into on terms that, are no less favorable in the aggregate to the Company (or the relevant Subsidiary party) than reasonably would be obtainable from an unaffiliated third party and which involve revenues or expenditures of less than ten million dollars ($10,000,000) per contract, agreement, transaction or series of related transactions individually and less than fifty million dollars ($50,000,000) in the aggregate for any Fiscal Year for all such Affiliate Transactions (it being acknowledged and agreed that (A) the Investor Members shall be deemed to have consented to (x) the Affiliate Transactions existing as of the date hereof that are set forth in Schedule 7.1(a) to this Agreement (on the terms in effect on the date hereof), including any transactions contemplated therein or services provided thereunder (the "Existing Affiliate Transactions") and (y) the Existing Promissory Note, for purposes of this Section 7.1; (B) transactions pursuant to and in accordance with the Existing Affiliate Transactions and amounts outstanding under the Existing Promissory Note will not be counted toward the ten million dollar ($10,000,000) and fifty million dollar ($50,000,000) thresholds set forth in this Section 7.1(a)); and (C) no prior written consent of the Investor Members will be required with respect to any amendments to the Existing Affiliate Transactions made in the ordinary course of business unless and only to the extent such amendment would disproportionately adversely affect the Company or DEF (relative to other regulated electric

utilities owned by Progress Energy or its Affiliates (other than the Company and DEF)) in any material respect;

(b) Dispositions (Manager Matter): Any disposition (including by conveyance, lease or otherwise), whether in a single transaction or a series of related transactions, of (i) material assets of the Company or its Subsidiaries, but only if such disposition materially and adversely affects the Member who designated such Manager, in its capacity as a Member of the Company, in a manner different from Progress Energy or the other Members of the Company (which shall be determined by taking into account such Investor 9.9% Member's financing arrangements, to the extent known to the Company and related to the Investor Member's investment therein) or (ii) all or substantially all of the assets of the Company or DEF; provided that the foregoing shall not be applicable to any transaction effected in compliance with Article XI;

(c) Mergers, Recapitalizations and Other Business Combinations Involving Disparate Treatment: Any merger, reorganization, recapitalization, consolidation, disposition, or other business combination involving the Company or DEF, on the one hand, and any other Person (other than the Company's wholly-owned Subsidiaries), on the other hand:

(i) (Investor Matter) in which the consideration offered or received in respect of the Units held by the Investor Member differs in kind or amount from the consideration offered or received in respect of such Units held by any other holders of such Units, or

(ii) (Investor Matter) that results (including by Progress Energy's exercise of a Drag Along Right) in the Investor Member directly owning operating assets or owning Equity Interests in an entity that is not classified as an association taxable as a corporation for U.S. federal income tax purposes;

(d) Mergers, Recapitalizations and Other Business Combinations Involving a Disposition of Investor Member Units (Investor 4.9% Matter): Any merger, reorganization, recapitalization, consolidation or other business combination involving the Company or DEF, on the one hand, and any other Person (other than the Company's wholly-owned Subsidiaries), on the other hand, that results in a disposition in whole or in part of Units held by the Investor 4.9% Member; provided that the foregoing shall not be applicable to any transaction effected in compliance with Article XI;

(e) Amendments to Organizational Documents (Investor 4.9% Matter): Any amendment or modification to the Organizational Documents of (i) the Company (including, for the avoidance of doubt, this Agreement), (ii) DEF or (iii) the Company's other Subsidiaries, solely for purposes of this subclause (iii), amendments or modifications that would materially adversely impact such Investor Member's rights under this Agreement;

(f) Disproportionate and Adverse Amendments to Organizational Documents (Investor Matter): Any amendment or modification to the Organizational Documents of the Company (including, for the avoidance of doubt, this Agreement) or DEF that disproportionately and adversely affects the Investor Member relative to the other Members;

provided that it is agreed that any amendment to Section 4.2(a) shall be understood to disproportionately and adversely affect the Investor Member relative to the other Members;

(g) Adverse Amendments to the Tax Sharing Agreement (Investor 4.9% Matter): Any amendment or modification to the Tax Sharing Agreement to the extent the amendment or modification relates to, and materially and adversely affects, the Company or any of its Subsidiaries in a manner different from the other Subsidiaries of Duke that are parties to the Tax Sharing Agreement; provided that for the avoidance of doubt, the foregoing shall not apply to any amendment or modification that is related or attributable solely to adding or removing members other than the Company or its Subsidiaries from the Tax Sharing Agreement;

(h) Dissolution or Bankruptcy (Investor 4.9% Matter): Any proposal to dissolve or wind up the Company or any of its Subsidiaries or any filing by the Company or any of its Subsidiaries of a voluntary petition seeking liquidation, reorganization, arrangement or readjustment, in any form, of its debts under Title 11 of the United States Code or any other federal or state insolvency law, or the filing of an answer consenting to or acquiescing in any such petition, or the making of any general assignment for the benefit of its creditors of all or substantially all of the assets of the Company or any of its Subsidiaries;

(i) Capitalization (Manager Matter): Any variation to the rights attaching to Equity Interests of the Company, or any repurchase or redemption of Equity Interests from any Member other than any repurchase or redemption of Equity Interests effected on a pro rata basis from all holders of Equity Interests;

(j) Entity Classification Elections (Investor 4.9% Matter): Making an election (other than an initial election) for the entity tax classification of any Subsidiary, but only if such election materially and adversely affects the Investor 4.9% Member, in its capacity as a Member of the Company in a manner different from Duke, Progress Energy or the other Members;

(k) IPO (Manager Matter): Effecting or making any decisions relating to any proposed initial public offering of Equity Interests of the Company or any of its direct or indirect Subsidiaries (or a successor, including by merger, conversion or other reorganization, to any of the foregoing);

(l) Tax Matters (Investor 4.9% Matter):

(i) effecting any merger, consolidation, or other reorganization, recapitalization or business combination in which the acceptance of any of the consideration offered in respect of the Units or other Equity Interests of the Company held by an Investor 4.9% Member would result in an Investor 4.9% Member, or any direct or indirect owner of an Investor 4.9% Member, (A) incurring any income that is effectively connected with the conduct of a U.S. trade or business or "unrelating business taxable income," in each case, within the meaning of the Code (but excluding Section 897 thereof), (B) having a permanent establishment in the United States, or (C) engaging in any "commercial activity" as defined in Section 892(a)(2)(A)(i) of the Code; or

(ii) taking any action that would reasonably be expected to (A) result in an Investor 4.9% Member, or any direct or indirect owner of an Investor 4.9%

Member, incurring any income that is effectively connected with the conduct of a U.S. trade or business or "unrelating business taxable income," in each case, within the meaning of the Code (but excluding Section 897 thereof) or (B) cause an Investor 4.9% Member to hold directly any asset or assets that would result in an Investor Member, or any direct or indirect owner of an Investor 4.9% Member, engaging in any "commercial activity" as defined in Section 892(a)(2)(A)(i) of the Code;

provided that in each case the foregoing shall not apply to any action relating to or arising out of the Company's or its Subsidiaries' classification or treatment under Section 897 of the Code;

(m) Capital Expenditures (Manager Matter): (i) with respect to the Regulated Business, capital expenditures by the Company and its Subsidiaries in respect of the acquisition or development of businesses or assets that are not Acceptable New Qualifying Core Assets and (ii) with respect to the Other Business, capital expenditures exceeding three hundred fifty million dollars ($350,000,000); or

(n) adopting any resolution in furtherance of the foregoing actions or agreeing, committing or delegating authority to take any of the foregoing actions.

Section 7.2 Permitted Material Business Deviation Decisions. Each of the following actions by the Company or its Subsidiaries (except to the extent such action is required to be taken under Applicable Overriding Law and no alternative to the taking of such action exists under applicable Law) shall be deemed a "Permitted Material Business Deviation Decision"; provided that with respect to Section 7.2(g), only the affected Investor Member may be considered a Put Right Member under Section 7.3 (subject to the provisions therein):

(a) Dispositions: Any disposition (including by conveyance, lease or otherwise), whether in a single transaction or a series of related transactions, of Units, Equity Interests, businesses or other assets of the Company or its Subsidiaries, or retirement of assets of the Company or its Subsidiaries, in each case, where the value of such Units, Equity Interests, businesses or assets exceeds two and one-half percent (2.5%) of the Reference Amount; provided that the foregoing shall not be applicable to any transaction effected in compliance with Section 11.5;

(b) Acquisitions: Any acquisition, whether in a single transaction or a series of related transactions, of Equity Interests, businesses or other assets where the value of such Equity Interests, businesses or other assets exceeds two and one-half percent (2.5%) of the Reference Amount; provided that the foregoing shall not be applicable to any acquisition of Equity Interests, businesses or other assets that are Acceptable New Qualifying Core Assets;

(c) Classes of Membership Interests: The creation of any Class of Membership Interests other than Common Units, or the issuance or sale of any Equity Interests of the Company or any of its Subsidiaries;

(d) Distributions: Entry into any transaction, agreement, commitment or understanding that would materially alter the Company's authority to make distributions;

(e) Debt: The incurrence of new Debt (or the refinancing of existing Debt) by the Company or its Subsidiaries, if, after giving pro forma effect to such incurrence and the application of the proceeds therefrom, (i) the long-term unsecured Debt of the Company or any of its Subsidiaries (solely to the extent that any such Subsidiaries have Debt outstanding) would reasonably be expected to be rated lower than (x) BBB by Standard & Poor's Ratings Services (or its successors), (y) BBB by Fitch Ratings, Inc. (or its successors) or (z) Baa2 by Moody's Investors Service Inc. (or its successors) or is unrated or (ii) the Consolidated Net Leverage Ratio would exceed the Debt Layer by five percent (5%) or more, pro forma for such incurrence or refinancing;

(f) Joint Ventures: Entering into any joint venture, partnership or similar agreement; unless, the aggregate amount of cash, property or other assets anticipated to be contributed by the Company and its Subsidiaries to such joint venture or partnership is less than two and one-half percent (2.5%) of the Reference Amount;

(g) Litigation Affecting an Investor Member: Decisions relating to the conduct (including the settlement) of any litigation, administrative, or criminal proceedings to which the Company or its Subsidiaries are a party where such proceedings could reasonably be expected to have an adverse effect on such Investor 9.9% Member or its Affiliates (other than solely in its or (if applicable, their) capacity as an investor in the Company); provided that, for the avoidance of doubt, the foregoing shall not be applicable to any ordinary course regulatory proceedings (including rate cases) that do not involve claims of criminal conduct or intentional violations of applicable Law; or

(h) adopting any resolution in furtherance of the foregoing actions or agreeing, committing or delegating authority to take any of the foregoing actions.

For the avoidance of doubt, the parties agree and acknowledge that the Major Decisions are intended as an Investor-protection mechanism for the Investor Member (in its capacity as an investor in the Company) and not to provide the Investor Member with any right to direct the day-to-day operations of the business of the Company or its Subsidiaries.

Section 7.3 Put Right.

(a) The Company shall notify each Manager in writing at least ten (10) Business Days prior to any Board meeting called to approve a Permitted Material Business Deviation Decision. Such notice shall include a summary of the action to be taken and shall state that such action is a Permitted Material Business Deviation Decision. Copies of such notice shall also be provided to each Investor 9.9% Member. Any action by written consent circulated to the Board members that contemplates the approval of a Permitted Material Business Deviation Decision shall also include a summary of the action and state clearly that such action is a Permitted Material Business Deviation Decision.

(b) If an action constituting a Permitted Material Business Deviation Decision either (i) is taken without having been previously approved by the Board or (ii) is approved by the Board but at least one Manager designated by the applicable Investor 9.9% Member did not affirmatively vote in favor of such Permitted Material Business Deviation Decision, then such Investor 9.9% Member shall be a "Put Right Member" for purposes of this

Agreement and the earlier of (i) the taking of such Permitted Material Business Deviation Decision and (ii) the approval of such Permitted Material Business Deviation Decision shall constitute a "Put Triggering Event." The Company shall notify each Investor 9.9% Member promptly (and in any event within ten (10) Business Days) of the Company becoming aware of a Put Triggering Event, which notice shall include the facts and circumstances giving rise to such Put Triggering Event in reasonable detail and, if the occurrence of such Put Triggering Event was inadvertent, the Company shall so state in such notice.

(c) At any time during the one hundred eighty- (180-) day period beginning when a Put Right Member first becomes aware of a Permitted Material Business Deviation Decision, such Put Right Member shall have the right (the "Put Right"), but not the obligation, to deliver one (1) written notice to Progress Energy and the Company (a "Put Exercise Notice") of the Put Right Member's decision to require Progress Energy to purchase all of the Units then held by such Put Right Member and its Affiliates (in each case, the "Put Group Member" and such Units, "Put Units"), in accordance with and subject to the conditions and limitations set forth in this Section 7.3 (such purchase and sale of the Put Units, the "Put Sale"), in which case Progress Energy will be required to purchase the Put Units in the Put Sale, in accordance with and subject to the conditions and limitations set forth in this Section 7.3. The date of receipt of such Put Exercise Notice by Progress Energy is referred to as the "Put Exercise Date." Notwithstanding the foregoing, if no later than the thirtieth (30th) day after the Put Triggering Event has occurred, either (A) the Put Right Member consents in writing to the taking of the applicable Permitted Material Business Deviation Decision or (B) Progress Energy and the Company take reasonable and appropriate steps, to the reasonable satisfaction of the Put Right Member, to rescind any approval of the Permitted Material Business Deviation Decision and to restore the state of the Company and its Subsidiaries to the condition they would have been in had the Permitted Material Business Deviation Decision not occurred without any adverse consequences (economic or otherwise) to the Company or the Put Right Member, then the Put Right Member shall not have a Put Right in respect of such Permitted Material Business Deviation Decision, and any Put Exercise Notice in respect of such Permitted Material Business Deviation Decision shall be ineffective.

(d) Subject to Section 7.3(f), a Put Exercise Notice shall obligate Progress Energy (or at Duke's option, an Affiliate thereof, other than the Company or any of its Subsidiaries) to purchase, and each Put Group Member to sell, the Put Units for a purchase price equal to the FMV of the Put Units as of immediately prior to the Put Triggering Event (the "Valuation Date"), without taking into account the Put Triggering Event and assuming closing of the Put Sale seventy-five (75) days after the Put Exercise Date (as may be adjusted in accordance with Section 7.3(d)(iii), the "Put Price"). The Put Price shall be determined between Progress Energy, on the one hand, and, on the other hand, each Put Right Member separately from and independent of any other Put Right Member, in each case in accordance with the procedures below:

(i) Within fifteen (15) days following the Put Exercise Date, (A) Progress Energy shall determine its assessment of the Put Price using each of the DCF Valuation, the Precedent Transactions Method Company Valuation, the Comparison Method Company Valuation and the Put Price Floor and provide its calculations with respect thereto and identify the highest thereof that would constitute the Put Price under such valuation (the "Progress Energy FMV Valuation") to the Put Right Member, and

(B) the Put Right Member shall determine its assessment of the Put Price using each of the DCF Valuation, the Precedent Transactions Method Company Valuation, the Comparison Method Company Valuation and the Put Price Floor, and provide its calculations with respect thereto and identify the highest thereof that would constitute the Put Price under such valuation (the "Put Member FMV Valuation" and together with the Progress Energy FMV Valuation, the "Member FMV Valuations") to Progress Energy. If the determination of the Put Price in accordance with the highest Put Member FMV Valuation is within ten percent (10%) of the Put Price as determined in accordance with the highest Progress Energy FMV Valuation, then, for the purposes of determining the Put Price in accordance with Section 7.3(d)(iv)(1), the Put Price will be the average of such determinations.

(ii) If the Put Price is not determined pursuant to Section 7.3(d)(i), then:

(1) within twenty-five (25) days following the Put Exercise Date, Progress Energy and the Put Right Member shall jointly select a nationally recognized independent valuation firm which has not been engaged by either Progress Energy and its Affiliates or the Put Right Member and its Affiliates during the five- (5-) year period prior to the Put Exercise Date (an "Acceptable Valuation Arbiter") to determine the Put Price; provided that if Progress Energy and the Put Right Member are unable to agree on an Acceptable Valuation Arbiter, they shall each select an Acceptable Valuation Arbiter and the two (2) Acceptable Valuation Arbiters shall mutually agree upon a final Acceptable Valuation Arbiter to determine the Put Price. The Acceptable Valuation Arbiter selected in accordance with this Section 7.3(d)(ii)(1) is referred to as the "Valuation Arbiter";

(2) each of Progress Energy and the Put Right Member shall submit their respective Member FMV Valuations to the Valuation Arbiter, and each Member will receive copies of all information provided to the Valuation Arbiter by the other Member; and

(3) the Valuation Arbiter shall determine the Put Price in accordance with this Section 7.3(d) and deliver its determination in a detailed written report addressed to the Company, Progress Energy and the Put Right Member and such determination shall be final, conclusive and binding. In rendering its decision, the Valuation Arbiter shall determine which of the applicable Put Price determinations of Progress Energy and the Put Right Member (using the highest Put Member FMV Valuation and the highest Progress Energy FMV Valuation) is closer, in the aggregate, to the Valuation Arbiter's corresponding independent determination of the Put Price in accordance with the definitions herein (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, (x) if the Put Price determination of neither Progress Energy nor the Put Right Member is closer to the Valuation Arbiter's determination, then the Put Price will be the average of the Put Price valuations determined by Progress Energy and the Put Right Member, and such averaged value shall be the final Put Price and (y) if either Progress Energy's or the Put Right Member's determination of the Put Price is closer to the Valuation Arbiter's

determination, then such closer Put Price shall be the final Put Price. The Valuation Arbiter shall allocate the fees and costs incurred by its assessment of the Put Price pursuant to this Section 7.3(d). If the Valuation Arbiter determines the Put Price pursuant to Section 7.3(d)(ii)(3)(x), the fees and expenses of the Valuation Arbiter shall be borne equally by Progress Energy and the Put Right Member. If the Valuation Arbiter determines the Put Price pursuant to Section 7.3(d)(ii)(3)(y), the Member whose positions were determined to not be closer shall pay the fees and costs associated with the Valuation Arbiter's assessment.

(iii) The final Put Price as determined in accordance with this Section 7.3(d) shall be (A) adjusted to account for any distributions or capital contributions paid during the period between the Valuation Date and the closing of the Put Sale, except to the extent such distributions or any other capital contributions were reflected in the determination of the Put Price and (B) shall expressly exclude any capital contributions made as a result of or in connection with the Put Triggering Event.

(iv) Solely for purposes of this Section 7.3:

(1) "FMV" for the Put Units means a dollar amount equal to the highest of (i) the Company Percentage Interest represented by the Put Units *multiplied by* the Comparison Method Company Valuation, (ii) the Company Percentage Interest represented by the Put Units *multiplied by* the Precedent Transactions Method Company Valuation or (iii) the Company Percentage Interest represented by the Put Units *multiplied by* the DCF Valuation; provided that, in any event, the Put Price as determined pursuant to this Section 7.3 shall not be less than the sum of (x) the aggregate amount of cash invested or contributed by the Put Group Members to the Company in respect of the Put Units (including, for the avoidance of doubt, the Investment Agreement Purchase Price), *plus* the New Investor Backleverage Make-Whole Amount, *minus* (y) the amount of Distributions or any support payments pursuant to Section 13.1 in respect of the Put Units (the "Put Price Floor").

(2) "DCF Valuation" means a dollar amount equal to the sum of (a) the net present value, as of the Valuation Date, of the projected levered free cash flows of DEF for the Valuation Term, as set forth in the Financial Forecast (as may be adjusted by a Member when determining the DCF Valuation) *plus* (b) the net present value, as of the Valuation Date, of the Terminal Value of DEF, in each case discounted to present value using the Discount Rate. For purposes of this definition: (i) "Valuation Term" means the period covered by the Financial Forecast, as may be adjusted by a Member when determining the DCF Valuation; (ii) "Terminal Value" means the value of DEF at the end of the Valuation Term, calculated using a perpetuity growth method, exit multiple method, or such other method as is customarily used in financial valuations or as otherwise determined by a Member when determining the DCF Valuation; and (iii) "Discount Rate" means the rate or rates specified in the Financial Forecast or such other rate as otherwise determined by a Member when determining the DCF Valuation.

(3) "Precedent Transactions Method Company Valuation" shall mean a dollar amount equal to the value of all the Units of the Company assuming that the Company was sold in its entirety to a buyer at an implied price to last-twelve-months ("LTM") earnings multiple equal to the median of the highest quartile (in terms of price to LTM earnings multiples paid, based on the prior twelve months of the latest available public filings as of the time of announcement of the relevant transaction) of transactions involving (x) a change of control of a Publicly Traded Electric Utility or (y) a minority investment in a Publicly Traded Electric Utility or its direct or indirect subsidiary holding one or more rate-regulated electric utilities, pursuant to which consideration of at least one billion dollars ($1,000,000,000) is paid by the investor for the acquired Equity Interests, in each case, completed at any time during the ten- (10-) year period immediately preceding the Valuation Date.

(4) "Comparison Method Company Valuation" shall mean a dollar amount equal to the value of all of the Units of the Company assuming that the Company was sold in its entirety to a buyer at an implied price to LTM earnings multiple equal to one hundred five percent (105%) of the median of the highest quartile of Publicly Traded Electric Utilities (in terms of price to LTM earnings multiples, based on the prior twelve (12) months of the latest available public filings as of the Valuation Date), assessed as of the Valuation Date.

(5) "Publicly Traded Electric Utility" means a company whose primary business is comprised of one or more rate-regulated electric utilities in the United States and whose principal class of shares are listed and traded on a nationally recognized stock exchange in the United States.

(e) Such Put Group Members and Progress Energy and shall be required to consummate such Put Sale within the Regulatory Approval Period. In addition, Progress Energy and the Put Group Members shall take all other actions as may be reasonably necessary to consummate such Put Sale, it being agreed that the only representations and warranties that may be required of the Put Group Members and Progress Energy shall be the Investor Representations. The parties shall use commercially reasonable efforts to cooperate with and provide reasonable assistance to Progress Energy and the Put Group Members in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Authorities to consummate the Put Sale. Upon the closing of a Put Sale, Progress Energy shall pay the Put Price by wire transfer of immediately available funds to the account or accounts that such Put Group Member shall designate to Progress Energy at least five (5) Business Days prior to such closing.

(f) The existence of a Put Triggering Event, a Put Exercise Notice or a pending Put Sale shall not, in and of itself, relieve or excuse any party from its ongoing duties and obligations under this Agreement. Progress Energy may assign its rights to purchase the Put Units in respect of which a Put Right Member has exercised its Put Right to any Person who is not a Prohibited Transferee; provided, however, that Progress Energy shall at all times remain liable for the obligations of such assignee and that no such assignment (i) may be made to the Company or any of its Subsidiaries if, following the purchase of the Put Units the Company will have any

Members other than Progress Energy or (ii) shall delay, prevent or hinder the consummation of the closing of the Put Sale.

(g) At any time within fifteen (15) days after the determination of the final Put Price in accordance with Section 7.3(d), an Investor 9.9% Member may deliver written notice to Progress Energy and the Company that it is irrevocably withdrawing its Put Exercise Notice, and, if such notice is so delivered, such Investor 9.9% Member shall no longer be required to sell, and Progress Energy shall no longer be obligated to purchase, or arrange for the purchase of, the Put Units in connection with such withdrawn Put Exercise Notice.

ARTICLE VIII

BOOKS AND BANK ACCOUNTS; TAX MATTERS

Section 8.1 Maintenance of Books and Records; Access; Financial Reports.

(a) The books and records (including Tax Returns and any supporting work papers and other documentation related thereto) of the Company shall be maintained at the principal offices and place of business of the Company. The Company shall at all times maintain a financial forecast for the Company and its Subsidiaries with sufficient details, in a form mutually agreed by the Members, acting reasonably, in Microsoft Excel format based on reasonable assumptions ("Financial Forecast") and update such Financial Forecast on a reasonably periodic basis consistent with past practice, which shall in any event occur at least two (2) times in any Fiscal Year and upon request by the New Investor Group, with reasonable advance notice (which shall be at least sixty (60) days' notice), no more than one (1) additional time in any Fiscal Year (except as otherwise mutually agreed by Progress Energy and the New Investor Group, it being understood that the New Investor Group will not make such additional requests unless it has a good faith belief that such update is appropriate). To the extent requested by a Member, the Company shall meet with such Member to discuss and analyze the assumptions and inputs underlying the Financial Forecast and provide reasonable supporting documentation in connection therewith. The Members shall have the right to, at reasonable times during normal business hours and upon reasonable notice, inspect the books and records (including Tax Returns and any supporting work papers and other documentation related thereto) of the Company and its Subsidiaries. Upon request, the Company shall as soon as practicable provide each Member with such other information relating to the Company and its Subsidiaries or their respective operations as such Member may reasonably request from time to time.

(b) Each of Progress Energy and the Company shall, and shall cause its respective Subsidiaries to, and shall cause the Representatives of the Company and its Subsidiaries to, use commercially reasonable efforts to provide customary support reasonably requested by New Investor in connection with the arrangement, syndication, marketing and consummation of the New Investor Financing (and any refinancing thereof), including by: (i) providing customary information about the Company and its Subsidiaries reasonably required to be included in customary materials for rating agency presentations, bank information memoranda, private placement memoranda, offering memoranda and similar customary marketing documents reasonably required in connection with the New Investor Financing (and any refinancing thereof); (ii) to the extent customary and reasonable, cooperating with the due diligence requirements of the

lenders or purchasers of the New Investor Financing (and any refinancing thereof), it being understood that such financing support and cooperation shall, if reasonably requested and to the extent required by the New Investor Financing, include providing information and financial data of the Company and its Subsidiaries (A) that is customarily included in a bank information memorandum or (B) in the case of an offering memorandum with respect to a marketed private placement of debt securities through one or more investment banks acting as "initial purchasers," that would be necessary for the Company's independent accountants to provide to such initial purchasers customary "comfort" letters (including customary "negative assurance" comfort and, if available, change period comfort) for such a private placement with respect to the financial information of the Company and its Subsidiaries included in such offering memorandum, and, if requested, "management discussion and analysis" for the most recently completed Fiscal Year and year-to-date through the end of the most recently completed calendar quarter, in each case for which financial statements have been delivered pursuant to Section 8.2, or information of the type required for the preparation of such "management discussion and analysis," in each case subject to exceptions customary for such financings; (iii) making key personnel at Progress Energy or the Company reasonably available for the purposes of a reasonable number of management presentations and answering reasonable due diligence queries (at reasonable times and locations mutually agreed and with reasonable advance notice) (it being understood that any such meeting may take place via videoconference or web conference at Progress Energy and the Company's option); (iv) reasonably assisting in obtaining credit ratings of the New Investor Financing (or any refinancing thereof); (v) to the extent required by any sources providing New Investor Financing, providing customary authorization letters authorizing the distribution of information to prospective financing sources, subject to customary terms and conditions; and (vi) taking such other customary actions as are reasonably requested by New Investor to facilitate the arrangement, syndication, marketing and consummation of the New Investor Financing; provided that (x) Progress Energy, the Company, any of their respective Subsidiaries or any of their respective Affiliates shall not have any liability of any kind or nature resulting from the use of information contained in marketing information materials or otherwise in all activity undertaken in connection with the arrangement, syndication, marketing and consummation of the New Investor Financing and (y) New Investor shall reimburse Progress Energy for any documented out-of-pocket fees and expenses incurred by Progress Energy, the Company and their respective Subsidiaries in connection with the foregoing. Nothing in this Section 8.1(b) will require Progress Energy or the Company or any of their respective Representatives to (i) pay any fee or incur any other liability in connection with the New Investor Financing, (ii) waive or amend any terms of this Agreement or agree to pay or reimburse any expenses for which it has not received prior reimbursement or is not otherwise indemnified on behalf of New Investor, (iii) approve, execute or deliver any definitive agreement in connection with the New Investor Financing, (iv) give any indemnities in connection with the New Investor Financing, (v) take any action that, in the good faith determination of Progress Energy or the Company, would unreasonably interfere with the conduct of the business or operations of Progress Energy, the Company or any of their respective Affiliates or create an unreasonable risk of damage or destruction to any property or assets of Progress Energy, the Company or any of its Affiliates, (vi) except as contemplated with respect to any authorization letters, adopt resolutions approving the definitive agreements, documents and instruments pursuant to which the New Investor Financing is obtained, (vii) (1) without limiting the obligations of the Company under Section 8.1 or Section 8.2, prepare financial statements or financial metrics which Progress Energy has not historically prepared, including standalone

financial statements, (2) without limiting the obligation of the Company under Section 8.1, provide any financial projections or pro forma financial statements or (3) provide any financial information with respect to a month or fiscal period that has not yet ended or has ended less than forty-five (45) days (or ninety (90) days in the case of a fiscal year-end) prior to the date of such request, (viii) take any action that would conflict with, violate or result in a breach of or default (with or without notice, lapse of time or both) under the organizational documents of Progress Energy or the Company or any contract or law (including with respect to privacy of employees) to which it or its property (or its Affiliates or their respective properties) is bound, (ix) cause or be reasonably expected to cause any representative of Progress Energy or the Company to incur any personal liability, or (x) deliver or cause the delivery of any legal opinions.

(c) The Company shall cooperate, and Progress Energy shall, and shall cause its Affiliates to cooperate, with any Member, its Affiliates and their respective advisers (acting on their behalf) in connection with (i) any proposed Transfer that is permitted by or undertaken in accordance with the terms of this Agreement, including the taking of customary actions reasonably requested by the Member or potential acquirors, transferees or potential financing sources to the extent such acquisition, transfer or financing is not prohibited by this Agreement, including making the Company and its Subsidiaries' properties, books and records, and other assets reasonably available for inspection by such potential acquirors, transferees or potential financing sources, establishing a physical or electronic data room including materials customarily made available to potential acquirors, transferees or potential financing sources (as applicable) in connection with such processes and making Managers, Officers, personnel and its other employees reasonably available for presentations, interviews and other diligence activities, in each case subject to customary confidentiality provisions and (ii) the provision of information reasonably requested by a Member in response to a reasonable concern regarding compliance with the obligations set forth in Section 6.11; provided that Progress Energy and its Affiliates shall be reimbursed for any documented out-of-pocket fees and expenses incurred in connection with their cooperation pursuant to this Section 8.1(c).

(d) Notwithstanding anything herein to the contrary, neither Progress Energy nor the Company shall be obligated to provide to any Investor Member, in such Investor member's capacity as Member, any record or information (i) relating to the negotiation and consummation of the transactions contemplated by this Agreement and the Investment Agreement, including confidential communications with financial and other advisors and legal counsel representing the Company or its Affiliates, (ii) that is subject to an attorney-client or other legal privilege, (iii) relating to any joint, combined, consolidated or unitary Tax Return that includes Duke or any of its Subsidiaries (other than the Company and its Subsidiaries) (or any supporting work papers or other documentation related thereto), so long as each Member receives a Tax Return or comparable documentation or material Tax information that relates solely to the Company and its Subsidiaries and contains all material Tax information found in any other Tax Return filed by Duke in respect of the Company and its Subsidiaries for the corresponding period, or (iv) the provision of which to such Investor Member would violate any applicable Laws or regulatory requirements; provided that with respect to clauses (ii) and (iv), the Company shall use commercially reasonable efforts to, together with such Member(s), develop an alternative to permit such inspection of or to disclose such information on a basis that does not jeopardize such privilege or violate any applicable Laws and regulatory requirements.

Section 8.2 Financial Reports. The Company shall deliver the following to each Investor 2.5% Member:

(a) within thirty (30) days after the end of each month, unaudited monthly management accounts and/or financial reports (including an analysis of such financial results and a summary of operations) for the Company and its Subsidiaries, as prepared by the management of the Company and consistent with those provided for Duke internal reporting purposes;

(b) within forty five (45) days after the end of each of the first three (3) quarterly accounting periods in each Fiscal Year, consolidated statements of earnings and cash flows of the Company and its Subsidiaries for such fiscal quarter and consolidated balance sheets of the Company and its Subsidiaries as of the end of such fiscal quarter, along with the relevant schedules to such statements, in each case, prepared in accordance with GAAP;

(c) (A) within seventy-five (75) days after the end of each Fiscal Year, audited consolidated statements of earnings and cash flows of DEF for such Fiscal Year and consolidated balance sheets of DEF as of the end of such Fiscal Year and (B) within ninety (90) days after the end of each Fiscal Year, audited consolidated statements of earnings and cash flows of the Company and its Subsidiaries for such Fiscal Year and consolidated balance sheets of the Company as of the end of such Fiscal Year, in each case, along with the relevant schedules to such statements; provided that New Investor shall reimburse the Company for all documented out-of-pocket audit fees incurred in connection with obtaining such audited consolidated statements of the Company and its Subsidiaries;

(d) (A) at least thirty (30) days prior to the commencement of each Fiscal Year, a draft of the consolidated annual budget of the Company and its Subsidiaries for such Fiscal Year (such annual budget to include budgeted statements of earnings and sources and uses of cash and balance sheets) and a draft of the five- (5-) year financial plan and capital plan of the Company and its Subsidiaries and (B) within fifteen (15) days of the Board approving such budget and such five- (5-) year financial plan and capital plan, a final version of each; and

(e) promptly, upon reasonable notice, any information that is reasonably requested by such Investor 2.5% Member in order to (A) manage its regulatory or tax affairs or make filings with Governmental Authorities or (B) otherwise monitor its investment in the Company; provided that with respect to Clause B, the Company shall not be required to provide information that it does not otherwise prepare in the ordinary course of business or is not otherwise readily available to it.

Section 8.3 Accounts. The Company may establish one (1) or more separate bank and investment accounts and arrangements for the Company, which, if so established, shall be maintained in the Company's name with financial institutions and firms that the Board may determine.

Section 8.4 Tax Matters.

(a) Tax Matters Shareholder. Progress Energy is hereby designated the "Tax Matters Shareholder" of the Company and its Subsidiaries. Except as otherwise provided in

this Agreement, the Tax Sharing Agreement, and the Investment Agreement, the Tax Matters Shareholder may, in its sole discretion, make or refrain from making any Tax elections allowed under applicable Law for the Company or any of its Subsidiaries. The Tax Matters Shareholder shall prepare and file or cause to be prepared and filed any Tax Return required to be filed by or with respect to the Company or its Subsidiaries. Notwithstanding any other provision of this Agreement or the Investment Agreement, the Tax Matters Shareholder shall be entitled to control in all respects, and no Investor Member or its Affiliates shall have the right to participate in, any Tax Proceeding with respect to any Tax Return of the Company or any of its Subsidiaries.

(b) Cooperation. Each Investor Member shall, and shall cause its Affiliates to, provide to Duke and its Subsidiaries (including the Company and its Subsidiaries) such cooperation, documentation and information as any of them reasonably may request in connection with (i) filing any Tax Return, amended Tax Return or, subject to Section 8.4(c)(ii), claim for refund, (ii) determining a liability for Taxes or (iii) preparing for or conducting any Tax Proceeding. As reasonably requested by an Investor 2.5% Member, as soon as reasonably practicable following the end of each quarterly accounting period in each Fiscal Year, the Company shall provide to each Investor 2.5% Member (A) a reasonable estimate of the earnings and profits of the Company as computed for U.S. federal income tax purposes for such quarter and (B) an estimate of the expected earnings and profits of the Company as computed for U.S. federal income tax purposes for the entire taxable year or years which includes such quarter.

(c) Withholding.

(i) The Company and each of its Subsidiaries may withhold and pay over to the IRS (or any other relevant Tax authority) such amounts as it is required to withhold or pay over, pursuant to the Code or any other applicable Law, on account of a Member, including in respect of distributions made pursuant to Section 5.1, and, for the avoidance of doubt, the amount of any such distribution or other payment to a Member shall be net of any such withholding. To the extent that any amounts are so withheld and paid over, such amounts shall be treated as paid to the Person(s) in respect of which such withholding was made. To the extent that a Member claims to be entitled to a reduced rate of, or exemption from, a withholding Tax pursuant to an applicable income Tax treaty, or otherwise, the Member shall furnish the Company or Subsidiary of the Company, as applicable, with such information and forms as such Member may be required to complete where necessary to comply with any and all laws and regulations governing the obligations of withholding Tax agents. Each Member agrees that if any information or form provided pursuant to this Section 8.4(c) expires or becomes obsolete or inaccurate in any respect, the Member shall update such form or information or promptly notify the Company or its Subsidiary, as applicable, in writing of its inability to do so.

(ii) Notwithstanding anything to the contrary in this Agreement, at the First Closing and from time to time as reasonably requested by the Company, New Investor shall provide to the Company a properly completed IRS Form W-9 sufficient to establish New Investor's U.S. federal Tax status for purposes of Chapter 3 and Chapter 4 of the Code and certifying that New Investor (or if New Investor is a disregarded entity for U.S. federal income tax purposes, its regarded owner) is a "United States person" within the meaning of Section 7701(a)(30) of the Code.

(iii) Each Member represents and warrants that any such information and forms furnished by such Member shall be true and accurate and agrees to indemnify the Company and each of the other Members from any and all damages, costs and expenses resulting from the filing of inaccurate or incomplete information or forms relating to such withholding Taxes.

(d) Survival. Notwithstanding anything herein to the contrary, the provisions of this Section 8.4 shall survive the termination of this Agreement.

Section 8.5 Fiscal Year. The fiscal year of the Company (the "Fiscal Year") for financial statement and U.S. federal income tax purposes shall be the calendar year unless otherwise determined by the Board.

ARTICLE IX

DISSOLUTION

Section 9.1 Dissolution Events. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following (each, a "Dissolution Event"):

(a) a majority vote of the Board and unanimous consent of the Members to dissolve the Company in accordance with the LLC Act; or

(b) entry of a decree of judicial dissolution of the Company under the LLC Act.

Section 9.2 Distributions on Dissolution.

(a) The Members hereby appoint Progress Energy to act as the liquidator (the "Liquidator") upon the occurrence of a Dissolution Event, and in such capacity, Progress Energy shall supervise the liquidation of the Company. Upon the occurrence of a Dissolution Event, the business of the Company shall be continued to the extent necessary to allow an orderly winding up of its affairs. The Liquidator will (i) prepare or cause to be prepared a statement setting forth the assets and liabilities of the Company as of the date of dissolution and shall provide a copy of such statement to all of the Members and (ii) proceed diligently and in good faith, and in an orderly, businesslike and commercially reasonable manner, to wind up the affairs of the Company and make final distributions as provided herein and in the LLC Act. The Liquidator may sell, and will use commercially reasonable efforts to obtain the best possible price for, any or all Company property, including to the Members. In no event, without the approval of the Members, will a sale to a Member be for an amount that is less than Fair Market Value.

(b) Upon the winding up of the Company, the Company's assets shall be distributed:

(i) first, to the satisfaction of the debts, liabilities and obligations of the Company (including any such obligations owing to any Member) and the expenses of liquidation or distribution (whether by payment or reasonable provision for payment and discharge thereof, including by the establishment of a cash escrow fund for

contingent, conditional or unmatured liabilities in such amount and for such term as the Liquidator may reasonably determine in accordance with the LLC Act), other than liabilities to Members or former Members for distributions; and

(ii) second, to the Members in accordance with the provisions of Section 5.1; provided that, for the avoidance of doubt, any amount that would otherwise be distributed to a Capital Contribution Loan Borrower (or, if New Investor Parent, New Investor) pursuant to this Section 9.2(b)(ii), which in the case of New Investor Parent, is in excess of the Capital Call Loan Payback Threshold, shall instead be paid by the Company directly to the Lending Member on behalf of Capital Contribution Loan Borrower to the extent necessary to repay any Capital Contribution Loan (together with accrued interest thereon) made to such Capital Contribution Loan Borrower. Any amounts used to repay Capital Contribution Loans pursuant to this Section 9.2(b)(ii) shall be treated as distributions by the Company to the Capital Contribution Loan Borrower (or, if New Investor Parent, New Investor).

(c) The distribution of cash and property to a Member in accordance with the provisions of this Section 9.2 constitutes a complete return to the Member of its Capital Contributions and a complete distribution to the Member on its Membership Interests in the Company of all the Company's property and constitutes a compromise to which all Members have consented. If the assets of the Company remaining after the payment or discharge of the debts and liabilities of the Company are insufficient to return Capital Contributions of each Member, such Member shall have no recourse against the Company or any other Member.

Section 9.3 No Withdrawal by Members. Except (i) as expressly provided in this Agreement, and (ii) following and in connection with a Transfer by a Member of all of its Units in compliance with this Agreement, a Member may not withdraw from the Company prior to its dissolution and winding up. No Membership Interest is redeemable or repurchasable by the Company at the option of a Member. Except as expressly provided in this Agreement, no event affecting a Member (including death, bankruptcy or insolvency) shall affect its obligations under this Agreement or affect the Company.

ARTICLE X

INDEMNIFICATION

Section 10.1 Non-Liability of Members. The Members of the Company are not personally liable for the acts or debts of the Company, nor is private property of the Members subject to the payment of Company debts.

Section 10.2 Power to Indemnify in Actions, Suits or Proceedings other than Those by or in the Right of the Company. Subject to Section 10.4, the Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company), by reason of the fact that such person is or was a Manager or Officer of the Company, or is or was a Manager or Officer of the Company serving at the request of the Company as a director, manager, officer, employee or agent of another

company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Section 10.3 Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Company. Subject to Section 10.4, the Company shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a Manager or Officer of the Company, or is or was a Manager or Officer of the Company serving at the request of the Company as a director, manager, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which a court of competent jurisdiction shall deem proper.

Section 10.4 Authorization of Indemnification. Any indemnification under this Article X (unless ordered by a court) shall be made by the Company (a) only as authorized in the specific case upon a determination that indemnification of the present or former Manager or Officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 10.2 or Section 10.3, as the case may be, and (b) to the fullest extent permitted by the LLC Act. Such determination shall be made, with respect to a person who is a Manager or Officer at the time of such determination, (i) by a majority vote of the Managers who are not parties to such action, suit or proceeding, even though less than a quorum and (ii) by a committee of such Managers designated by a majority vote of such Managers, even though less than a quorum, (c) if there are no such Managers, or if such Managers so direct, by independent legal counsel in a written opinion or (d) by the Members. Such determination shall be made, with respect to former Managers and Officers, by any person or persons having the authority to act on the matter on behalf of the Company. To the extent, however, that a present or former Manager or Officer of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

Section 10.5 Good Faith Defined. For purposes of any determination under Section 10.4, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person's conduct was unlawful, if such person's action is based on the records or books of account of the Company or another enterprise, or on information supplied to such person by the Officers of the Company or another enterprise in the course of their duties, or on the advice of legal counsel for the Company or another enterprise or on information or records given or reports made to the Company or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company or another enterprise. The provisions of this shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 10.2 or Section 10.3, as the case may be.

Section 10.6 Indemnification by a Court. Notwithstanding any contrary determination in the specific case under Section 10.4, and notwithstanding the absence of any determination thereunder, any Manager or Officer may apply to any court of competent jurisdiction for indemnification to the extent otherwise permissible under Section 10.2 or Section 10.3. The basis of such indemnification by a court shall be a determination by such court that indemnification of the Manager or Officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 10.2 or Section 10.3, as the case may be. Neither a contrary determination in the specific case under Section 10.4 nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the Manager or Officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 10.6 shall be given to the Company promptly upon the filing of such application. If successful, in whole or in part, the Manager or Officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

Section 10.7 Expenses Payable in Advance. Expenses (including attorneys' fees) incurred by a Manager or Officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such Manager or Officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in this Article X. Such expenses (including attorneys' fees) incurred by former Managers and Officers or other employees and agents may be so paid upon such terms and conditions, if any, as the Company deems appropriate.

Section 10.8 Nonexclusivity of Indemnification and Advancement of Expenses. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article X shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate of Formation, this Agreement or any other agreement or vote of stockholders or disinterested Managers or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Company that indemnification of the persons specified in Section 10.2 and Section 10.3 shall be made to the fullest extent permitted by the LLC Act. The provisions of this Article X shall not be deemed to preclude the indemnification of any person who

is not specified in Section 10.2 or Section 10.3 but whom the Company has the power or obligation to indemnify under the provisions of the LLC Act, or otherwise.

Section 10.9 Insurance. The Company may purchase and maintain insurance on behalf of any person who is or was a Manager or Officer of the Company, or is or was a Manager or Officer of the Company serving at the request of the Company as a director, manager, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power or the obligation to indemnify such person against such liability under the provisions of this Article X.

Section 10.10 Certain Definitions. For purposes of this Article X, references to "the Company" shall include, in addition to the resulting entity, any constituent entity (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, managers or officers, so that any person who is or was a director, manager or officer of such constituent entity, or is or was a director, manager or officer of such constituent entity serving at the request of such constituent entity as a director, manager or officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article X with respect to the resulting or surviving entity as such person would have with respect to such constituent entity if its separate existence had continued. The term "another enterprise" as used in this Article X shall mean any other company or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Company as a director, manager or officer, employee or agent. For purposes of this Article X, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Company" shall include any service as a Manager, Officer, employee or agent of the Company which imposes duties on, or involves services by, such Manager or Officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Article X.

Section 10.11 Survival of Indemnification and Advancement of Expenses. To the fullest extent permitted by the LLC Act, the indemnification and advancement of expenses provided by, or granted pursuant to, this Article X shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a Manager or Officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 10.12 Limitation on Indemnification. Notwithstanding anything contained in this Article X to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 10.6), the Company shall not be obligated to indemnify any Manager or Officer (or his or her heirs, executors or personal or legal representatives) or advance expenses in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board.

Section 10.13 Indemnification of Employees and Agents. The Company may, to the extent authorized from time to time by the Board, provide rights to indemnification and to the advancement of expenses to employees and agents of the Company and employees or agents of the Company that are or were serving at the request of the Company as a director, manager, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, similar to those conferred in this Article X to Managers and Officers of the Company.

Section 10.14 Investor Indemnitors. The Company hereby acknowledges that the Managers indemnified under this Article X may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Members and certain of their Affiliates (collectively, the "Investor Indemnitors"). The Company hereby agrees (a) that it is the indemnitor of first resort (i.e., its obligations to any such Manager in his or her capacity as such are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Manager in his or her capacity as such are secondary), (b) that it shall be required to advance the full amount of expenses incurred by any such Manager in his or her capacity as such and be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Manager in its capacity as such to the extent legally permitted and as required by this Agreement, without regard to any rights such Manager may have against the Investor Indemnitors and (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any Manager with respect to any claim for which such Manager has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Manager under this Article X against the Company.

ARTICLE XI

TRANSFERS

Section 11.1 General Restrictions.

(a) Each Member agrees that it shall Transfer Units, directly or indirectly, only in compliance with, and to the extent permitted by, this Agreement. For the avoidance of doubt, an "indirect" Transfer of Units shall include any transaction or series of related transactions pursuant to which any Person becomes the Beneficial Owner of any Units that were not Beneficially Owned by such Person immediately prior to the consummation of such transaction or transactions. Any attempted Transfer other than in strict accordance with this Agreement shall be null and void and of no force or effect whatsoever, and the purported transferee shall have no rights as a Member or otherwise in or to the Units. The Company shall not register the Transfer of any Units made in violation of the provisions of this Agreement.

(b) Each Member shall not Transfer Units unless it shall have represented to the other Member(s), and such other Member(s) within seven (7) Business Days following such representation shall not have in good faith asserted a reasonable basis for disputing the representation, that neither the disposition by such transferor, the acquisition by the transferee

nor the holding by the transferee of the Units will result in a non-exempt prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code. Any Units that are the subject of a Transfer in accordance with the preceding sentence shall not be subject to any further Transfer unless such Transfer (regardless of the number of times the Units are the subject of a Transfer) would satisfy the preceding sentence as if the Person proposing to Transfer them were the transferring Member.

Section 11.2 Permitted Transfers. Section 11.3, Section 11.4, Section 11.5 and Section 11.6 shall not apply to any Transfer:

(a) by any Member at any time of all or any portion of its Units to any of such Member's Affiliates; provided that (i) any required regulatory approvals or other third-party consents or approvals are obtained prior to such Transfer and (ii) such Affiliate executes a counterpart to this Agreement and agrees to be bound by all of its terms to the same extent as the transferring Member. Any Affiliate that receives Units shall Transfer such Units back to the transferring Member (or an Affiliate thereof) if at any time such Affiliate is no longer an Affiliate of such Member;

(b) by the Pledge Parties of Pledged Interests to any Secured Party under Section 11.9; or

(c) by any Secured Party (or any of its agents, appointees, trustees or receivers) in exercising its rights under any collateral documentation governing or pertaining to the Pledged Interests; provided that, (i) any such Secured Party (or any of its agents, appointees, trustees or receivers) is not a Restricted Transferee and any such proposed transfer of Units would not otherwise be prohibited by Section 11.7(a) or (c), and (ii) following any exercise of foreclosure or similar rights, such Secured Party may not further Transfer such Pledged Interests without first complying with the restrictions set forth in this Article XI.

Section 11.3 Lock-up Period. Except for Transfers permitted by Section 11.2, notwithstanding anything contained herein to the contrary, a Member may not Transfer all or any portion of its Units prior to the fifth (5th) anniversary of the Effective Date (the "Lock-up Period").

Section 11.4 Right of First Offer.

(a) Following the expiration of the Lock-up Period, if any Member (the "Selling Member") desires to Transfer all or any portion of its Units (other than a Transfer by Progress Energy of more than fifty percent (50%) of the outstanding Units) to any Person other than an Affiliate of such Member (a "Third-Party Purchaser"), it shall first deliver to the Company and each other Member (each, a "Non-Selling Member") written notice (a "ROFO Notice") setting forth its intent to make such Transfer and the number of Units proposed to be Transferred (the "Offered Units"). Each Non-Selling Member shall have the right to make a binding offer to purchase all, but not less than all, of the Offered Units (it being understood that the Non-Selling Members may submit a joint offer to purchase all, but not less than all of the Offered Units), by written notice (an "Offer Notice") delivered by such Non-Selling Member(s) to the Selling Member within thirty (30) days following its receipt of a ROFO Notice (the "Offer Period"), which

Offer Notice shall specify the purchase price and other material terms and conditions proposed by the Non-Selling Member(s).

(b) The Selling Member shall notify each Non-Selling Member of its acceptance (an "Acceptance Notice") or rejection (a "Rejection Notice") of such Non-Selling Member's offer within thirty (30) days following its receipt of an Offer Notice (the "Acceptance Period"). If the Selling Member does not send an Acceptance Notice or a Rejection Notice within the Acceptance Period, the offer proposed by such Non-Selling Member(s) shall be deemed rejected by the Selling Member.

(c) If the Selling Member accepts the price and terms set forth in the Offer Notice delivered by a Non-Selling Member or Non-Selling Members within the Acceptance Period, then such Non-Selling Member(s) shall be required to enter into a definitive agreement to purchase all such Offered Units covered by such Offer Notice within ten (10) Business Days following its receipt of the Acceptance Notice, with such purchase to be consummated within the Regulatory Approval Period. In addition, each Member shall take all other actions as may be reasonably necessary to consummate such purchase and sale, including entering into such additional agreements as may be necessary or appropriate.

(d) If all Non-Selling Members either (x) failed to deliver an Offer Notice to the Selling Member during the Offer Period with respect to any Offered Units, or (y) have received a Rejection Notice or neither received an Acceptance Notice nor a Rejection Notice within the Acceptance Period with respect to any Offered Units, then the Selling Member shall be free to Transfer all but not less than all of such Offered Units to a Third-Party Purchaser; provided that (i) if one or more Offer Notice(s) were delivered by Non-Selling Members to the Selling Member during the Offer Period with respect to any Offered Units, the Transfer of such Offered Units must be effected at a price equal to or higher than one hundred percent (100%) of the highest price contained in all Offer Notices delivered by the Non-Selling Members and on price-related terms and conditions that are no less favorable, in the aggregate, to the Selling Member, than the price-related terms and conditions set forth in the Offer Notice providing for such highest price (excepting the inclusion of customary representations and warranties given to the Third-Party Purchaser that would not customarily be given to an existing Member), (ii) the Selling Member must enter into a definitive agreement with respect to the Transfer of such Offered Units within one hundred eighty (180) days following the expiration of the applicable Offer Period (if no Non-Selling Members delivered an Offer Notice to the Selling Member during the Offer Period) or within one hundred eighty (180) days following the earlier of (A) the applicable Non-Selling Member's receipt of a Rejection Notice or (B) the expiration of the Acceptance Period, as applicable (if the applicable Offer Notice was delivered by any Non-Selling Member(s) to the Selling Member during the Offer Period) and (iii) the Transfer of such Offered Units must be consummated within the Regulatory Approval Period. If the Transfer of such Offered Units has not been consummated within the Regulatory Approval Period, such Offered Units shall again become subject to all restrictions of this Section 11.4.

Section 11.5 Drag Along Rights.

(a) Following the expiration of the Lock-up Period, in the event that Progress Energy desires to Transfer, in any single transaction or series of related transactions, all,

but not less than all, of the Units owned by the Progress Energy Holders (so long as such Units constitute more than fifty percent (50%) of the outstanding Units) to any Third-Party Purchaser that is not an Affiliate of Progress Energy (in such context, a "Drag Along Purchaser"), then, subject to the satisfaction of the conditions set forth in Section 11.5(f), Progress Energy shall have the right (a "Drag Along Right") to require all Investor Members to Transfer all of their respective Units to the Drag Along Purchaser in accordance with the procedures set forth in this Section 11.5 (such Transfer that complies with the requirements of this Section 11.5, a "Drag Along Sale") at the per Unit price (which shall be payable in cash) and otherwise on the same terms and conditions as the Transfer of Units by the Progress Energy Holders to the Drag Along Purchaser (with each Investor Member participating in such Transfer on a pro rata basis in proportion to their respective Company Percentage Interest, relative to the aggregate Company Percentage Interests of Progress Energy and the other Investor Members).

(b) Following satisfaction of its obligations pursuant to Section 11.4, Progress Energy may exercise its Drag Along Right pursuant to this Section 11.5 by providing written notice of its election to do so to each Investor Member (a "Drag Along Notice"), which notice shall identify the Drag Along Purchaser and specify the proposed price per Unit and all other material terms and conditions of the Drag Along Sale, including the anticipated closing date of the Drag Along Sale.

(c) The Drag Along Sale must be consummated within the Regulatory Approval Period applicable to the Transfer by the Progress Energy Holders to the Drag Along Purchaser. No Investor Member shall Transfer or agree to Transfer any Units to any Person other than the Drag Along Purchaser during the period between the date it receives a Drag Along Notice and the conclusion of such Regulatory Approval Period. If the Drag Along Sale shall not have been consummated during such Regulatory Approval Period, all the restrictions on Transfer contained in this Agreement or otherwise applicable at such time with respect to the Units owned by the Members shall again be in effect.

(d) In the event that Progress Energy exercises its Drag Along Right pursuant to this Section 11.5, each Investor Member shall take all customary and reasonable actions as may be reasonably necessary to consummate the Drag Along Sale, including making the Investor Representations and entering into such definitive agreements as are customary for transactions of the nature of the proposed Transfer.

(e) The Investor Members agree to (i) vote in favor of the transaction or transactions with the Drag Along Purchaser, (ii) take such other actions as may be required to effect such transaction and (iii) take all actions to waive any dissenters, appraisal or other similar rights with respect thereto.

(f) Notwithstanding anything to the contrary in this Agreement, Progress Energy shall not have the right to exercise its Drag Along Right unless (i) the total consideration paid to New Investor in connection with such Drag Along Sale would cause New Investor to achieve at least an eleven percent (11%) IRR on each Common Unit, (ii) subject to clause (i), the Investor Member receives in such Drag Along Sale the same consideration per Unit, in the same form, and otherwise on the same terms and conditions as are applicable to the sale of Units by the Progress Energy Holders, (iii) the liability of each Investor Member in such Drag

Along Sale is several and not joint and several with any other Member, (iv) the maximum liability of each Investor Member in the Drag Along Sale is capped in the aggregate at the portion of the purchase price received by such Investor Member, (v) no Investor Member shall be subject to any non-competition covenants or non-solicitation covenants (other than customary non-solicitation of senior employees with carve-outs permitting general solicitations and any hiring therefrom), (vi) no Investor Member shall be subject to liability in connection with the Drag Along Sale in excess of its pro rata share of the liability except with respect to Investor Representations and (vii) no Investor Member will be required to make any representations and warranties in connection with such Drag Along Sale, other than the individual representations and warranties on a several basis and solely as to itself set forth on Schedule 11.5(f) (the "Investor Representations"), nor shall any Investor Member be required to make representations relating to the Company or any other Member. The parties shall use commercially reasonable efforts to cooperate with and provide reasonable assistance to Progress Energy and each Investor Member participating in the Drag Along Sale in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Authorities to consummate a Transfer contemplated by this Section 11.5.

(g) Progress Energy shall not have the right to exercise its Drag Along Right hereunder in connection with any transaction or series of related transactions resulting in a Duke Change of Control.

Section 11.6 Tag-Along Rights.

(a) In the event that (i) any Progress Energy Holder (the "Progress Energy Seller") desires to Transfer, in any single transaction or series of related transactions, an amount of its Units equal to or greater than four and nine-tenths percent (4.9%) of the total Units outstanding (the "Direct Tag Threshold") to any Third-Party Purchaser or (ii) any direct or indirect transfer, in any single transaction or series of related transactions, of any Units (or any indirect interest therein) to a Third-Party Purchaser results in Progress Energy no longer Controlling the Company (or, in the event of a direct or indirect transfer of the equity interests of Progress Energy (or any direct or indirect interest therein), Duke no longer Controlling Progress Energy), and the Progress Energy Seller cannot or has not elected to exercise any Drag Along Right it may have with respect to such transfer pursuant to Section 11.5, each Investor Member shall have the right (a "Tag-Along Right") to participate in such transfer and require that all or a portion of its Units be Transferred to such Third-Party Purchaser in accordance with the procedures set forth in this Section 11.6 (such Transfer, a "Tag-Along Sale") at the per Unit price and otherwise on the same terms and conditions as the Transfer of the Units by such Person to such Third-Party Purchaser; provided that the Direct Tag Threshold shall cease to apply to any proposed Transfers by the Progress Energy Seller and New Investor's exercise of the Tag-Along Right hereunder once the Progress Energy Seller has Transferred twenty percent (20%) of the total Units outstanding to Third-Party Purchasers from and after the date of this Agreement.

(b) At least thirty (30) Business Days prior to the Tag-Along Completion Date of any Transfer in connection with which an Investor Member has a Tag-Along Right pursuant to Section 11.6(a), and after satisfying its obligations pursuant to Section 11.4, the Progress Energy Seller shall deliver to each Investor Member a written notice (a "Tag-Along Offer Notice") of the proposed Transfer, which notice shall (i) identify the Third-Party Purchaser, the

aggregate number of Units the Third-Party Purchaser has offered to purchase (including whether the Third-Party Purchaser will purchase all Units proffered), the proposed price per Unit, the expected date of consummation of the proposed Transfer ("Tag-Along Completion Date") and all other material terms and conditions of the proposed Transfer, (ii) contain a representation that the Third-Party Purchaser has been informed of the Tag-Along Right provided for in this Section 11.6, (iii) contain a representation that no consideration, tangible or intangible, is being provided to the Progress Energy Seller that is not reflected in the price to be paid per Unit to each Investor Member exercising its Tag-Along Rights hereunder and (iv), if and to the extent the proposed Transfer by the Progress Energy Seller pursuant to this Section 11.6 is an indirect Transfer of the Equity Interests of Progress Energy, contain a good faith allocation of the aggregate purchase price for such Units indirectly Transferred in connection therewith (the "Indirect Transfer Allocation").

(c) An Investor Member may exercise its Tag-Along Right by delivering a written notice (a "Tag-Along Election Notice") of its election to do so within twenty (20) Business Days following its receipt of a Tag-Along Offer Notice (the "Tag-Along Offer Period"). An Investor Member that has delivered a Tag-Along Offer Notice within the Tag-Along Offer Period shall be termed a "Tag-Along Investor" hereunder. The Tag-Along Election Notice shall specify the Tag-Along Portion and specify whether the Tag-Along Investor disagrees with the Indirect Transfer Allocation (if applicable), in which case the procedure set forth in Section 11.6(h) shall apply. Progress Energy Seller shall procure that the Third-Party Purchaser purchases such Tag-Along Investor's Tag-Along Portion in addition to the Units proposed to be Transferred by the Progress Energy Seller to the Third-Party Purchaser. For purposes of this Section 11.6, "Tag-Along Portion" means, with respect to each Tag-Along Investor, (i) in the case of a Tag-Along Sale described under Section 11.6(a)(i), a number of Units up to (A) the total number of Units held by the Tag-Along Investor *multiplied by* (B) a fraction, the numerator of which is the total number of Units proposed to be transferred to the Third-Party Purchaser by the Progress Energy Seller and the denominator of which is the total number of Units held by the Progress Energy Seller, in each case, determined on the date of the Tag-Along Election Notice, and (ii) in the case of a Tag-Along Sale described under Section 11.6(a)(ii), all of the Units held by the Tag-Along Investor.

(d) If an Investor Member fails to deliver a Tag-Along Election Notice within the Tag-Along Offer Period, such Investor Member shall be deemed to have waived its Tag-Along Right with respect to such Transfer, and the Progress Energy Seller may make the proposed Transfer without any further obligation to such Investor Member; provided that (i) such Transfer must be effected at a price per Unit that is no greater than the price per Unit set forth in the Tag-Along Offer Notice and on terms and conditions that are no more favorable, in the aggregate, to the Progress Energy Seller than the terms and conditions set forth in the Tag-Along Offer Notice and (ii) such Transfer must be consummated within the Regulatory Approval Period. If such Transfer shall not have been consummated during the Regulatory Approval Period, all the restrictions on Transfer contained in this Agreement or otherwise applicable at such time with respect to the Units owned by the Members shall again be in effect and the Progress Energy Seller shall be required to again deliver a Tag-Along Offer Notice and the Progress Energy Seller and the Investor Members shall comply with the provisions of this Section 11.6.

(e) The closing of any Transfer by the Tag-Along Investor(s) shall take place simultaneously with the closing of the Tag-Along Sale by the Progress Energy Seller. The

parties shall cooperate with, and provide reasonable assistance to, the Progress Energy Seller and each Investor Member participating in the Tag-Along Sale in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Authorities to consummate a Transfer contemplated by this Section 11.6.

(f) In the event that an Investor Member exercises its Tag-Along Right pursuant to this Section 11.6, such Investor Member shall take all actions as may be reasonably necessary to consummate the Tag-Along Sale, including making the Investor Representations and entering into such definitive agreements as are customary for transactions of the nature of the proposed Transfer; provided that (i) the liability of each of the Progress Energy Seller and each Tag-Along Investor shall be several and not joint and several, (ii) the maximum liability of each Tag-Along Investor to provide for its pro rata share of the indemnification by the Company shall be capped at the portion of the purchase price received by such Tag-Along Investor, as applicable, in such Transfer, (iii) no Tag-Along Investor shall be subject to any non-competition covenants or non-solicitation covenants (other than customary non-solicitation of senior employees with carve-outs permitting general solicitations and any hiring therefrom), (iv) no Tag-Along Investor shall be subject to liability in excess of its pro rata share of the liability except with respect to Investor Representations, and (v) no Tag-Along Investor will be required to make any representations and warranties in connection with such Transfer, other than the Investor Representations.

(g) In the event that a Tag-Along Election Notice is delivered, the Progress Energy Seller and the Tag-Along Investors shall pay their respective pro rata share (based on the number of Units to be Transferred) of expenses reasonably incurred by them in connection with a consummated Transfer of Units pursuant to the Tag-Along Right and only to the extent such expenses were incurred in connection with the Transfer of Units and not otherwise paid by the Company or the Third-Party Purchaser; provided that in connection with any consummated Transfer of Units pursuant to the Tag-Along Right involving an indirect Transfer of the Equity Interests of Progress Energy, only expenses directly associated with the sale of the Company and its Subsidiaries shall be allocated between the Progress Energy Seller and the Tag-Along Investors pursuant to this Section 11.6(g) (and not any expenses associated with the sale of any other entity or assets).

(h) If any Tag-Along Investor has notified the Progress Energy Seller in its Tag-Along Election Notice that it disagrees with the Indirect Transfer Allocation (such notice, an "Indirect Transfer Allocation Objection Notice"), then such Tag-Along Investor and the Progress Energy Seller will use commercially reasonable efforts to resolve the disputed matter(s) within the fifteen- (15-) day period following the delivery of the Indirect Transfer Allocation Objection Notice. If, at the end of the fifteen- (15-) day resolution period, such Tag-Along Investor and the Progress Energy Seller are unable to resolve any disagreement between them with respect to the Indirect Transfer Allocation, then the Progress Energy Seller and the Tag-Along Investor shall each select a nationally recognized independent valuation firm (the "Valuation Expert") and the two Valuation Experts shall mutually agree upon a final Valuation Expert to resolve the Indirect Transfer Allocation. Each party will deliver simultaneously to the Valuation Expert (A) the Indirect Transfer Allocation, the Indirect Transfer Allocation Objection Notice and other information relating to the disputed matter(s) as the Valuation Expert may request and (B) such party's proposed resolution of the disputed matter(s) and any materials it wishes to present to justify the resolution it so presents. Such Tag-Along Investor and Progress Energy Seller will each

be afforded the opportunity to discuss the disputed matter(s) with the Valuation Expert, and each party will receive copies of all information provided to the Valuation Expert by the other party. The Valuation Expert, acting as an expert and not as an arbitrator, will have fifteen (15) days to carry out a review and prepare a written statement of its determination regarding the disputed matter(s) (including a statement regarding the Valuation Expert's determination of the prevailing party in any such disputed matter) which determination will be final and binding upon such Tag-Along Investor and the Progress Energy Seller. In rendering its decision, the Valuation Expert shall determine which of the positions of the Tag-Along Investor or the Progress Energy Seller submitted to the Valuation Expert is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, based on such determination, adopt either the position of the Tag-Along Investor or the position of the Progress Energy Seller with respect to the Indirect Transfer Allocation. Any fees and expenses of the Valuation Expert incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Valuation Expert. Notwithstanding the procedures set forth herein, in no event shall the delivery of the Indirect Transfer Allocation Objection Notice and the procedures that follow interfere with or delay entry into the agreement with respect to or consummation of the Transfer, so long as (i) the agreement for the consummation of such Transfer provides that if within five (5) Business Days following the determination of the Indirect Transfer Allocation, the Tag-Along Investor provides notice to Progress Energy that it does not wish to proceed with the Transfer of its Units, the Tag-Along Investor's Tag-Along Election Notice shall be deemed rescinded and the Tag-Along Investor shall not be required to consummate the Transfer and (ii) to the extent the Tag-Along Investor does wish to proceed with the Transfer of its Units following the determination of the Indirect Transfer Allocation, adequate assurance of the payment of the consideration payable in such Transfer is provided to the Tag-Along Investor.

Section 11.7 Other Prohibited Transfers; Additional Transfer Implications.

(a) Notwithstanding anything herein to the contrary, no Member shall directly or indirectly transfer any Units (i) to any Prohibited Transferee or (ii) to the extent such transfer would result in a violation of any Law.

(b) Notwithstanding anything herein to the contrary, (i) an Investor Member shall not Transfer (disregarding clause (b) of the definition of "Transfer" for purposes of this Section 11.7(b)(i)) any Units to any Person (or its successors) set forth on Exhibit B or any Person known by the transferring Member to be an Affiliate thereof (any such person, a "Restricted Transferee") and (ii) solely in the event of a Transfer of a percentage of outstanding Units less than a New Investor's Company Percentage Interest at the time of such Transfer, Progress Energy, shall not Transfer any Units to any Person (or its successors) set forth on Exhibit B or any Person known by the transferring Member to be an Affiliate thereof. Exhibit B may be updated by Progress Energy one time within the thirty- (30-) day period immediately prior to January 1st each year (with an effectiveness of the next occurring January 1st); provided, however, that no such update shall be effective if (and only to the extent that) (i) it would list on Exhibit B the name of (x) any Person that is a financial investor (including sovereign wealth funds, pension funds and infrastructure funds but excluding activist investors), (y) any proposed transferee (or Affiliate of such proposed transferee) previously notified by an Investor Member to Progress Energy or the Company within the prior ninety (90) days (for the avoidance of doubt, notice of only one such proposed transferee may be provided by an Investor Member during any ninety- (90-) day period)

or (z) the then-existing collateral agent under the New Investor Financing, (ii) it would result in more than fourteen (14) Persons being listed on Exhibit B or (iii) if it occurs during the twelve (12) months immediately following such time as any Investor Member notifies the Company in good faith that it has commenced a process to Transfer all of its Units or during the period from and after the time that any Investor Member notifies the Company that it has entered into a definitive agreement to Transfer its Units until the earlier of (A) the closing of the transactions contemplated by such definitive agreement or (B) the termination of such definitive agreement; provided that, with respect to clause (iii), Progress Energy shall have the right to update Exhibit B immediately following the expiration of such twelve- (12-) month period with an effectiveness of the first date of the next occurring month.

(c) Whenever contractual, regulatory or governmental approval is required to effect a direct or indirect Transfer that would otherwise be permitted hereunder, the parties agree to use commercially reasonable efforts to proactively obtain such approval.

(d) Notwithstanding anything to the contrary in this Agreement, to the extent any direct or indirect transfer of Units by an Investor Member to another Person would result in such Person having the right to directly or indirectly designate a Manager or a Board Observer pursuant to Section 6.1 or Section 6.4, respectively, the Investor Member shall provide the Company with written notice of the identity of any such transferee at least fifteen (15) days prior to the consummation of any direct or indirect transfer of Units to such Person.

Section 11.8 Binding Effect on Transferees. Transfers of Units shall be made by a Member by surrender of the certificate or certificates representing such Units, properly endorsed or accompanied by proper instruments of transfer. Notwithstanding anything herein to the contrary, prior to the Transfer by a Member of Units (or any other securities exercisable, exchangeable or convertible into Units) to any Person (including an Affiliate), other than a Transfer of all outstanding Units, the transferring Member shall cause the transferee to execute and deliver such documents as may be necessary to make such Person a party hereto and pursuant to which such Person executes a counterpart to this Agreement in which it agrees to be bound by all of its terms to the same extent as the transferring Member effective on the date of the Transfer of the Units, whereupon the transferee shall be admitted as a Member of the Company. In the event that a Member Transfers less than all of its Units to a Third-Party Purchaser in accordance with this Article XI, the Members and the Company shall negotiate in good faith to amend this Agreement to the extent reasonably necessary to reflect the addition of such Member.

Section 11.9 Consent to Pledges.

(a) Notwithstanding anything to the contrary herein or in any agreements, documents or instruments executed in connection herewith (collectively, the "LLC Documents"), each Member hereby agrees and consents for all purposes under this Agreement (including this Article XI) and any other LLC Document to the following:

(i) The pledge of the entirety or any portion of Units ("Pledged Interests") owned by the New Investor Group or any of its Affiliates ("Pledge Parties") to any Secured Parties as collateral security for any Secured Obligations, which Pledged Interests shall be subject to the rights of such Secured Parties (or other Person upon a

foreclosure, sale or other transfer as permitted under any collateral documentation governing or pertaining to such pledge), and the Pledge Parties or any of them intend that they shall make a fully effective, valid and enforceable grant to such Secured Parties of a security interest in all of such Pledge Parties' right, title and interest in and to the Pledged Interests, whether arising under or in connection with the Articles of Formation, this Agreement, the LLC Act or otherwise, including: (x) all of such Pledge Parties' right to participate in profits, losses and distributions under this Agreement, their Units, the LLC Documents and the LLC Act including redemptions, liquidating payments, distributions, returns of capital, interest, withdrawals and all other payments (collectively, the "Economic Rights"); (y) all of such Pledge Parties' rights and powers as Members under applicable Law and this Agreement and any other LLC Document, including rights to designate members of the Board, to approve Major Decisions, to exercise all other voting and other consent rights under this Agreement, the LLC Documents and the LLC Act and to participate in the operation or management of the business and affairs of the Company (collectively, the "Approval Rights"); and (z) all of such Pledge Parties' "limited liability company interest" under the LLC Act and their respective ownership interest, including their respective status as a Member (and the right to be admitted as a Member) under this Agreement, the LLC Documents and the LLC Act including the rights to Transfer or require the Transfer of any their respective Units (the "Ownership Interests");

(ii) The execution and delivery of a transfer power to such Secured Parties, a form of which is attached hereto as Exhibit E; and

(iii) The execution and filing of UCC filings, and/or all such other documents, registration, recordings and financing statements as are necessary or appropriate for such Secured Parties to perfect their rights pursuant to such collateral documents.

(b) Notwithstanding any other provision of this Agreement, subject to Section 11.7, without any further consent or action of any Person, at any time on and after a notice from any Secured Parties or any Person acquiring the rights of such Secured Parties, pursuant to the exercise by such Secured Parties or such other Person of their rights as a secured party under the Uniform Commercial Code or other applicable Law, such Secured Parties or Person acquiring the rights of such Secured Parties shall have the right, power and authority to: (i) exercise the Approval Rights in their own name or in the name of the applicable Pledge Parties as attorney-in-fact, and the applicable Pledge Parties shall not have the right to exercise the Approval Rights, except with the prior written consent of such Secured Parties, (ii) replace the applicable Pledge Parties as a member of the Company, and upon execution of a counterpart to this Agreement (and without the necessity of compliance with any other provisions set forth herein relating to substitution of members) be deemed admitted as a Member of the Company immediately before New Investor or such Affiliate thereof ceases to be a Member; provided that, in no event shall such Secured Parties or any such other Person be deemed to have assumed any liability of the applicable Pledge Parties arising prior to such admission as a substitute member of the Company by virtue of such admission and (iii) otherwise succeed to all of the Economic Rights, Approval Rights, Ownership Interests and other rights of the applicable Pledge Parties with respect to its Units.

ARTICLE XII

REPRESENTATIONS AND WARRANTIES; COVENANTS

Section 12.1 Member Representations and Warranties. Each Member hereby represents and warrants, severally and not jointly, to the Company and to the other Member as follows:

(a) The Member possesses all requisite capacity, power and authority necessary to enter into this Agreement and to carry out the terms and provisions hereof and the transactions contemplated hereby.

(b) The execution and delivery of this Agreement, and the performance by the Member of its obligations hereunder, have been duly authorized by the Board of Managers or other similar governing body of the Member and upon due authorization, execution and delivery by the other parties, will constitute the valid and legally binding agreement of the Member, enforceable in accordance with its terms against the Member, except as enforcement may be limited by (i) the effect of bankruptcy, insolvency, reorganization, receivership, conservatorship, arrangement, moratorium or other laws affecting or relating to creditors' rights generally or (ii) the rules governing availability of specific performance, injunctive relief or other equitable remedies and general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) The execution, delivery and performance of this Agreement by the Member does not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any material indenture, mortgage, deed of trust, credit agreement, note or other evidence of Debt, lease or other agreement, license, permit, franchise or certificate, to which the Member is a party or by which it is bound or to which any of its properties are subject, or require any authorization or approval under or pursuant to any of the foregoing, or violate the Organizational Documents of the Member, or violate in any material respect any statute, regulation, law, order, writ, injunction or decree to which the Member is subject.

(d) The Member understands that the Units have not been, and any New Units issued pursuant to this Agreement will not be (unless otherwise agreed by the parties), registered under the Securities Act and, if and to the extent the Securities Act applies, cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available and pursuant to registration or qualification (or exemption therefrom) under applicable state securities laws. The Member has such knowledge and experience in financial and business matters that it is capable of evaluating the Company and the merits and risks of an investment in the Units, and the Member has the ability to bear the economic risk of its investment in the Units. The Member has been given the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of, and other matters pertaining to, this investment, and has had access to such financial and other information concerning the Company as it has considered necessary to make a decision to invest in the Company and has availed itself of this opportunity to the full extent desired. Notwithstanding the foregoing, nothing herein shall affect the representations and warranties of Progress Energy or New Investor in the Investment Agreement.

Section 12.2 New Investor ECL.

(a) New Investor has delivered to the Company a true, correct and complete copy of an equity commitment letter (the "ECL") pursuant to which BSIP has agreed, subject to the terms and conditions thereof, to provide or cause to be provided the Growth Commitment Amount. The ECL provides, and will continue to provide, that the Company is an express third party beneficiary of, and is entitled to enforce, the ECL.

(b) As of the Effective Date, the ECL has not been withdrawn (and no party thereto has indicated an intent to so withdraw), amended, restated or otherwise modified or waived, and the respective commitments contained therein have not been terminated, reduced, withdrawn, modified or rescinded in any respect, and no such amendment, restatement, modification or waiver thereto is contemplated. As of the Effective Date, the ECL is in full force and effect and constitutes the legal, valid and binding obligation of New Investor and BSIP, enforceable against Investor and BSIP in accordance with its terms (in each case, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, rehabilitation, liquidation, preferential transfer, moratorium and similar Laws now or hereafter affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at equity or law)). The equity funding contemplated by the ECL is sufficient in amount to provide the New Investor Group with the funds necessary to contribute (or cause to be contributed) the Growth Commitment Amount.

ARTICLE XIII

SUPPORT PAYMENTS

Section 13.1 Distribution Shortfall. Except to the extent that any Distribution Shortfall (defined below) is attributable to the Company's and its Subsidiaries' compliance with an Applicable Overriding Law, in the event that the Company fails, for any fiscal quarter, to make a distribution to the Members of Distributable Cash in an amount not less than fifty-five percent (55%) of the net cash provided by operating activities of the Company and its Subsidiaries for such fiscal quarter (the "Threshold Amount") within the ten- (10-) day period following the Distribution Date (a "Distribution Shortfall"), then Progress Energy or any of its Affiliates shall pay to New Investor an amount equal to (a) (i) the Threshold Amount *less* (ii) the amount of Distributable Cash actually distributed by the Company to the Members for such fiscal quarter, *multiplied by* (b) the New Investor Group's Company Percentage Interest, which shall be prorated during such fiscal quarter based on the number of days such Member held an applicable Company Percentage Interest during such fiscal quarter; provided, however, that in no event shall the amount of any support payment pursuant to this Section 13.1 exceed the sum of (a) DEF Retained Earnings as of the end of such fiscal quarter, (b) 100% of consolidated net income of the Company and its subsidiaries exclusive of DEF for such fiscal quarter and (c) any retained earnings of the Company and its subsidiaries exclusive of DEF; provided, further, that, for the avoidance of doubt, no Distribution Shortfall shall be considered to exist in respect of any such excess. Notwithstanding anything to the contrary in this Agreement, Progress Energy shall not have the right to assign its obligations under this Section 13.1 in connection with a Transfer of Units unless (i) such assignment is to a Wholly-Owned Affiliate of Progress Energy, and (ii) New Investor is satisfied in its reasonable

discretion that such Wholly-Owned Affiliate of Progress Energy (or, if applicable, other provider of credit support in connection with such assignment) has sufficient financial wherewithal and creditworthiness to make the support payments pursuant to Section 13.1.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Entire Agreement. This Agreement and the Investment Agreement constitute the entire agreement and understanding of the parties in respect of the subject matter contained herein and therein and supersede all prior agreements and understandings between the parties hereto with respect to such subject matter.

Section 14.2 Governing Law. THIS AGREEMENT, THE LEGAL RELATIONS BETWEEN THE PARTIES HERETO AND THE ADJUDICATION AND THE ENFORCEMENT THEREOF, SHALL BE GOVERNED BY AND INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE SUBSTANTIVE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO APPLICABLE CHOICE OF LAW PROVISIONS THEREOF.

Section 14.3 Specific Performance. The parties agree that irreparable harm would occur and the parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they are entitled at law or in equity, all in accordance with Section 14.12. The parties hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the posting of any bond or other undertaking or security in connection therewith. Each party further agrees that (a) by seeking any remedy provided in this Section 14.3, a party shall not in any respect waive its right to seek any other form of relief that may be available to a party under this Agreement and (b) nothing contained in this Section 14.3 shall require any party to institute any action for (or limit any party's right to institute any action for) specific performance under this Section 14.3 prior to exercising any other right under this Agreement.

Section 14.4 Offset: No Recourse. Neither the Company nor any Member may offset any amount due to the Company or such Member(s) or any of their respective Affiliates, as applicable, against any amount owed or alleged to be owed from another Member or its Affiliates under this Agreement, the Investment Agreement or any other Transaction Document without the written consent of such other Member. The Investment Agreement and the other Transaction Documents may only be enforced against the parties thereto solely in their capacities as such and solely with respect to the specific obligations set forth therein with respect to such party. New Investor shall have no liability (whether at law or in equity, based upon contract, tort, statute, based upon any theory that seeks to impose liability of any party hereto against its owners or Affiliates or otherwise), under this Agreement and no recourse may be had against New Investor under this Agreement, for obligations or liabilities arising under, in connection with or related to the Investment Agreement.

Section 14.5 Notices. All notices, requests, consents and other communications under this Agreement must be in writing and shall be deemed to have been duly given and effective (a) immediately (or, if not delivered or sent before 5:00 p.m. New York time on a Business Day, the next Business Day) if delivered or sent by electronic mail (to the extent no "bounce back" or similar message indicating non-delivery is received with respect thereto), (b) on the date of delivery if by hand delivery (with confirmation of receipt) (or, if not delivered on a Business Day, the next Business Day) or (c) on the first Business Day following the date of dispatch (or, if not sent on a Business Day, the next Business Day after the date of dispatch) if sent by overnight service with a nationally recognized overnight delivery service (all fees prepaid). All notices shall be delivered to the following addresses, or such other addresses as may hereafter be designated in writing by such party to the other parties:

(a) If to New Investor:

Brookfield Asset Management
Two Allen Center
1200 Smith Street Suite 640
Houston, TX 77002
Attention: Elisabeth Press
Email: elisabeth.press@brookfield.com

With copies (which shall not constitute notice) to:

Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attention: Kim Hicks, P.C.
Brittany A. Sakowitz, P.C.
Roald Nashi, P.C.
Email: kim.hicks@kirkland.com
brittany.sakowitz@kirkland.com
roald.nashi@kirkland.com

(b) If to Progress Energy:

Progress Energy, Inc.
c/o Duke Energy Corporation
525 S. Tryon Street, DEP09A
Charlotte, NC 28202
Attention: Greer Mendelow
Email: greer.mendelow@duke-energy.com

With a copy (which shall not constitute notice) to:

Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005
Attention: Pankaj Sinha;
Emily Prezioso Walsh
Email: psinha@skadden.com;
emily.walsh@skadden.com

(c) If to the Company:

Florida Progress, LLC[1]
c/o Duke Energy Florida, LLC
299 First Avenue North
St. Petersburg, FL 33701
Attention: [•]
Email: [•]

With copies (which shall not constitute notice) to:

Duke Energy Corporation
525 S. Tryon Street, DEP09A
Charlotte, NC 28202
Attention: Greer Mendelow
Email: greer.mendelow@duke-energy.com

Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005
Attention: Pankaj Sinha;
Emily Prezioso Walsh
Email: psinha@skadden.com;
emily.walsh@skadden.com

Section 14.6 Assignment; Third-Party Beneficiaries. Except as otherwise provided herein, all the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the respective successors and permitted assigns of the parties. No Member, nor the Company, shall purport to assign or Transfer all or any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in this Agreement in whole or in part except with respect to a Transfer in accordance with the terms of this Agreement and except as provided in Section 6.12. The Eligible Persons shall be express, intended third-party beneficiaries of Article X and this Section 14.6. Except for the Eligible Persons and the Secured Parties, this Agreement is not intended to confer any rights or remedies

[1] **Note to Draft**: The specific notice individuals for the Company will be confirmed and incorporated when this Agreement is executed at the initial Closing.

hereunder upon any other Person except the parties, it being for the exclusive benefit of the parties and their respective successors and permitted assigns. Persons other than the parties may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 14.7 Waiver. No waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is made expressly in an instrument in writing specifically referring to this Agreement and executed and delivered by the party against whom such waiver is claimed. No waiver of any breach shall be deemed to be a further or continuing waiver of such breach or a waiver of any other or subsequent breach. Except as otherwise expressly provided herein, no failure on the part of any party to exercise, and no delay in exercising, any right, power or remedy hereunder, or otherwise available in respect hereof at law or in equity, shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such party preclude any other or further exercise thereof, or the exercise of any other right, power or remedy. The rights and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise.

Section 14.8 Severability. Any term or provision of this Agreement that is determined by a court of competent jurisdiction to be invalid or unenforceable for any reason shall, as to that jurisdiction, be ineffective solely to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is determined by a court of competent jurisdiction to be so broad as to be unenforceable, that provision shall be interpreted to be only so broad as is enforceable.

Section 14.9 Amendment. This Agreement may be amended, modified or supplemented only by written agreement (referring specifically to this Agreement) signed by or on behalf of all Members whose approval is required pursuant to Section 7.1(e) and Section 7.1(f). Any amendment or revision to Schedule A hereto or to the Company's records that is made solely to reflect information regarding Members shall not be considered an amendment to this Agreement and shall not require any Board or Member approval.

Section 14.10 Termination. This Agreement shall terminate upon the earlier of (i) the unanimous consent of the Members or (ii) a Dissolution Event.

Section 14.11 Confidential Information.

(a) General. The Company and each Member shall, and shall cause their respective Affiliates and Representatives to, keep confidential any information that it may have or acquire before or after the date of this Agreement, including any information acquired pursuant to Section 8.1 and Section 8.2, concerning the Company and its assets, business, operations, affairs, financial condition or prospects or concerning another Member or this Agreement (such information, "Confidential Information").

(b) Non-Disclosure. Each Member shall keep confidential and not divulge any Confidential Information, and shall use such Confidential Information only in connection with the operation of the Company and its Subsidiaries or such Member's administration of its investment in the Company; provided that nothing herein shall prevent a Member from disclosing such Confidential Information (i) upon the order or request of any Governmental Authority, (ii) to the extent compelled by legal process or required or requested pursuant to subpoena, interrogatories or other discovery requests, (iii) to the other Members, (iv) to such Member's Representatives that in the reasonable judgment of such Member need to know such Confidential Information and (v) to any potential equity or debt financing sources, or otherwise to any Person in connection with obtaining any potential financing (and any refinancing thereof) incurred by such Member or a proposed transferee (eligible for such Transfer under the terms hereof) of a Member in connection with its financing or investment in the Company, as applicable (including inclusion of such information in any bank information memoranda, offering memoranda or rating agency presentations), in each case, subject to customary confidentiality restrictions in such Person's reasonable determination. Furthermore, nothing in this Section 14.11(b) shall prevent an Investor Member from disclosing this Agreement, the subject matter of this Agreement, the financial return and other financial performance, statistical information or other similar information in connection with financing, fundraising, marketing, informational or reporting activities to or of such financing sources, Affiliates, subsidiaries, funds or affiliated investment vehicles and to the partners, members or other current or prospective investors therein, subject to customary confidentiality restrictions in such Person's reasonable determination. In addition, the Company and each Member shall exercise all reasonable efforts to prevent any other Person from gaining access to such Confidential Information and take such protective measures as may be or become reasonably necessary to preserve the confidentiality of such Confidential Information.

(c) Exceptions. Notwithstanding Section 14.11(a) and Section 14.11(b), the Company and each Member may disclose Confidential Information:

(i) to any Representative of the Company or such Member; provided that such Representative has a need to know and has been informed of the confidential nature of the information pursuant to Section 14.11(d);

(ii) to the extent required by (A) any applicable Law, rule or regulation of any Governmental Authority or regulatory agency (including any rule or regulation of the Securities and Exchange Commission), (B) any stock exchange rule or regulation or (C) any binding judgment, order or requirement of any court or other governmental authority of competent jurisdiction; provided that the Company or such Member, as the case may be, has delivered written notice to and consulted, to the extent practicable, with the other parties prior to disclosure of such Confidential Information;

(iii) to any prospective purchaser of Units, or of any other interest in the Company and the advisers and financiers of any such Person; provided that confidentiality undertakings are obtained that are no less restrictive than those set forth in this Section 14.11;

(iv) to the extent necessary for the performance of the Investment Agreement or any exercise by a party of its rights thereunder or hereunder; or

(v) to the extent such Confidential Information becomes available within the public domain (otherwise than as a result of a breach of this Section 14.11).

(d) Representatives Bound. Each party shall inform any Representative to whom it provides Confidential Information that such information is confidential and shall instruct them (i) to keep such Confidential Information confidential and (ii) not to disclose it to any Third Party (other than those Persons to whom such Confidential Information has already been disclosed in accordance with the terms of this Agreement). The disclosing party shall be responsible for any breach of this Section 14.11 by the Person to whom the Confidential Information is disclosed.

(e) Survival. Notwithstanding anything herein to the contrary, the provisions of this Section 14.11 shall survive the termination of this Agreement for a period of three (3) years and, with respect to each Member, shall survive for a period of three (3) years following the date on which such Member is no longer a Member. The provisions of this Section 14.11 shall supersede the provisions of any non-disclosure agreements entered into by the Company (or its Affiliates) and any of the Members (or their respective Affiliates) with respect to the transactions contemplated hereby prior to the date hereof.

Section 14.12 Dispute Resolution.

(a) Except as otherwise provided by this Agreement, any party may provide written notice to any other parties of any dispute, controversy or claim arising out of or in connection with, or relating to, this Agreement or any breach or alleged breach hereof (which breach or alleged breach by a party remains uncured within ten (10) Business Days after receipt of written notice thereof from another party) or the validity or termination hereof (a "Dispute"). Upon receipt of such written notice, such Dispute shall first be attempted to be settled by good faith negotiations between the parties to the Dispute, in the form of meetings between senior-management level representatives of such parties; provided that, for the avoidance of doubt, any election by a Member or a Manager to withhold or decline consent or vote in favor or against any matter to which it has the right to consent to or vote on shall not alone be considered a "Dispute" and shall not be subject to the terms of this Section 14.12.

(b) If the parties to the Dispute are unable for any reason to resolve a Dispute within thirty (30) days after receipt by any party of written notice of a Dispute, then any party may submit the Dispute to arbitration to be finally and exclusively resolved under the Arbitration Rules of the International Chamber of Commerce as currently in effect (the "Rules"), except as modified herein. There shall be three (3) arbitrators. If there are two (2) parties to the Dispute, each of the parties to the Dispute shall nominate one (1) arbitrator in accordance with the Rules. If there are more than two (2) parties to the Dispute, the arbitrators shall be nominated in accordance with the Rules; provided, however, that any party and its Affiliates shall be entitled to nominate only one (1) such arbitrator. The arbitrators so nominated, once confirmed by the International Court of Arbitration of the International Chamber of Commerce (the "ICC Court"),

shall nominate an additional arbitrator to serve as chairman, such nomination to be made within fifteen (15) days of the confirmation by the ICC Court of the second arbitrator. If the initial arbitrators shall fail to nominate an additional arbitrator within such fifteen- (15-) day period, such additional arbitrator shall be appointed by the ICC Court. Except as otherwise agreed by the parties to such Dispute, exclusive venue of arbitration shall be New York, New York, and the language of the arbitration shall be English and each of the parties hereby submits to the non-exclusive jurisdiction of the state and federal courts located in New York, New York, for preliminary relief in aid of arbitration and for the enforcement of any arbitral award. By agreeing to arbitration, the parties do not intend to deprive any national court of its jurisdiction to issue any pre-arbitral injunction, pre-arbitral attachment or other order in aid of arbitration proceedings.

(c) None of the parties or the arbitrators shall select any arbitrator for the arbitral tribunal who has any interest in the Dispute or who has, or within the immediately preceding three (3) years has had, any material economic or other material relationship with any party to the Dispute (it being agreed that, with respect to any arbitrator who does not have a current interest in the Dispute, a certification by such arbitrator as to such arbitrator's lack of knowledge of any such material economic or other material relationship with a party to the Dispute shall be sufficient to establish the foregoing).

(d) The arbitrators shall not have the right to award special, treble, multiple or punitive damages. The arbitral tribunal shall not be empowered to decide any dispute ex aequo et bono or amiable compositeur. The arbitration award shall be decided by majority opinion and issued in writing in the English language and shall be a reasoned award setting forth the findings of fact and conclusions upon which it is based. It may be made public only with the consent of each participating party or as may be required by law or regulatory authority or as necessary for enforcement of such award. The arbitrators shall allocate the fees and costs of the arbitration. The losing party(ies) shall pay (i) the prevailing party(ies)' attorney's fees and costs, including the expert fees and costs, (ii) the costs associated with the arbitration and (iii) the arbitrators' fees and costs borne by the prevailing party(ies), in each case, as determined by the arbitrators. Each party shall bear its own fees and costs until the arbitrators determine which, if any, party is the prevailing party(ies) and the amount that is due to such prevailing party(ies). For the avoidance of doubt, the law applicable to the merits of the arbitration shall be the laws of the State of Florida.

(e) The award rendered by the arbitrators shall be final and binding on the participating parties and, subject to the other terms and provisions hereof, shall be the sole and exclusive remedy between and among the participating parties regarding any Dispute presented to the arbitral tribunal. The award rendered by the arbitrators shall be issued no later than one hundred twenty (120) days from the signing or ratification of the Terms of Reference (as defined in the Rules) or as soon thereafter as practicable. The award shall be paid within thirty (30) days after the date it is issued and shall be paid in U.S. Dollars in immediately available funds, free and clear of any liens, Taxes or other deductions. A judgment confirming or enforcing such award may be rendered by any court of competent jurisdiction.

(f) The arbitration shall be confidential. No party may disclose the fact of the arbitration, any award relating thereto or any settlement relating to any Dispute without the prior consent of the other party(ies); provided that such matters may be disclosed without the prior

consent of the other party(ies) to lenders, auditors, Tax or other Governmental Authority or as may be required by law or regulatory authorities or as necessary to enforce any award.

(g) Notwithstanding the existence of any Dispute, the parties shall continue to perform their respective obligations under this Agreement unless the parties otherwise mutually agree in writing. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement is intended to, nor shall it, prevent the parties from seeking temporary injunctive relief at any time as may be available under law or in equity to preserve its rights pending the outcome of any arbitration. Without prejudice to such provisional remedies as may be available under the jurisdiction of a national court, the arbitral tribunal shall have full authority to grant provisional remedies. The parties agree that any issue regarding the arbitrability of any claims or disputes arising under, relating to or in connection with this Agreement is an issue solely for the arbitrators, not a court, to decide.

(h) THE PARTIES HEREBY EXPRESSLY WAIVE ALL RIGHTS TO TRIAL BY JURY OR OTHERWISE ON ANY CLAIM, CAUSE OF ACTION, SUIT OR PROCEEDING PERMITTED UNDER THIS SECTION 14.12. THE PROVISIONS OF THIS AGREEMENT RELATING TO WAIVER OF TRIAL BY JURY SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

Section 14.13 Limitations on Liability. No Member shall be liable to the other Member for any special, treble or punitive damages.

Section 14.14 Valuation; Waiver of Appraisal Rights.

(a) Upon request by any Investor 4.9% Member, within five (5) Business Days after receiving written notice of the Company's or the Board's determination in connection with any determination of Fair Market Value of Units or other assets under this Agreement, the Company shall select a nationally recognized independent valuation firm with no existing or prior business or personal relationship with the Progress Energy Designees, Progress Energy, Duke, New Investor or any of their respective Affiliates in the five- (5-) year period immediately preceding the date of engagement pursuant to this Section 14.14 (the "Independent Evaluator") to determine such Fair Market Value. Each of the Company and New Investor shall submit their view of the Fair Market Value of the Units to the Independent Evaluator, and each party will receive copies of all information provided to the Independent Evaluator by the other party. The final Independent Evaluator's determination of the Fair Market Value of such Units or assets shall be set forth in a detailed written report addressed to the Company and New Investor within thirty (30) days of the Company's selection of such Independent Evaluator and such determination shall be final, conclusive and binding. In rendering its decision, the Independent Evaluator shall determine which of the positions of the Company and New Investor submitted to the Independent Evaluator is, in the aggregate, more accurate (which report shall include a worksheet setting forth the material calculations used in arriving at such determination), and, based on such determination, adopt either the Fair Market Value determined by the Company or New Investor. Any fees and expenses of the Independent Evaluator incurred in resolving the disputed matter(s) will be borne by the party whose positions were not adopted by the Independent Evaluator. For the avoidance of doubt, the calculation of the FMV of the Put Units shall be governed by the terms of Section 7.3 and not this Section 14.14.

(b) Each Investor Member agrees that it shall not have any dissenters' rights, appraisal rights or similar rights pursuant to the LLC Act or any other applicable Law with respect to any (i) transfer of Units by another Member or (ii) any determination of (A) Fair Market Value of the Company, Units or assets of the Company, or (B) FMV of Put Units, and, in each case, hereby waives any such rights with respect thereto.

Section 14.15 Further Actions; Cooperation. Each Member agrees to take, or cause to be taken, all actions and to do, or cause to be done, and to assist and cooperate with the other Members and the Company in doing all things necessary, proper or advisable in connection with (a) the transactions contemplated by this Agreement and (b) obtaining or making, as applicable, any consents, approvals, filings, applications or notices from or with Governmental Authorities to the extent required by applicable Law or are otherwise reasonably necessary or prudent in connection with the businesses of the Company and its Subsidiaries; provided that to the extent any such filings or applications contemplate confidential or sensitive information of a Member (or a Member's Affiliates), the Members shall (subject to the limitations set forth in this Agreement), in good faith, cooperate to provide the necessary or requested confidential or sensitive information in such a manner as to reasonably protect the interests of the disclosing Member, including, at the discretion of the Member from whom such information is sought, by providing it subject to a protective order, while not adversely affecting the timely consummation of the relevant filing or application.

Section 14.16 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which shall constitute one (1) and the same Agreement. The parties hereto hereby agree that this Agreement may be executed by way of electronic signatures and that the electronic signature has the same binding effect as a physical signature. For the avoidance of doubt, the parties further agree that this Agreement, or any part thereof, shall not be denied legal effect, validity or enforceability solely on the ground that it is in the form of an electronic record.

Section 14.17 Time of Essence. The parties agree that time is and will be of the essence of this Agreement in all respects.

Section 14.18 Costs and Expenses. Except as otherwise expressly provided herein or in the Investment Agreement, all legal and accounting costs, charges and expenses (including Taxes) incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by the party incurring such expenses. Notwithstanding the foregoing, should any litigation be commenced between the parties or their Representatives concerning any provision of this Agreement or the rights and duties of any Person hereunder, the party or parties prevailing in such proceeding shall be entitled, in addition to such other relief as may be granted, to the reasonable attorneys' fees and other litigation costs incurred by reason of such litigation.

Section 14.19 Public Announcements.

(a) No public announcement or press release in connection with the execution of this Agreement shall be made or issued by or on behalf of any party without the prior written approval of all of the Members, which approval shall not be unreasonably withheld or delayed.

(b) Notwithstanding Section 14.19(a), if a party is required to make or issue any announcement required by Law or the rules of any stock exchange to which the disclosing party is subject or by any Governmental Authority, including any such publicity, public statement or announcement described in Section 14.19(c), the disclosing party shall give the other parties reasonable opportunity to comment on such announcement or release before it is made or issued (provided that opportunity to comment shall not have the effect of preventing the party making the announcement or release from complying with its disclosure obligations).

(c) Notwithstanding anything to the contrary in this Agreement (except Section 14.19(b)), no party (other than New Investor) shall issue any press release or similar publicity, make any public statement or announcement or deliver any marketing materials relating to New Investor's direct or indirect investment in the Company, in each case, that includes the name "Brookfield" or derivations thereof, any trademark, trade name or service mark of New Investor or its Affiliates, information describing New Investor or its Affiliates or its business or market position or any other reference, in each case, that could reasonably be expected to otherwise be used to identify New Investor or its Affiliates without obtaining New Investor's prior written consent, which consent shall not be unreasonably withheld.

(d) Notwithstanding anything to the contrary in this Agreement, each Investor Member may disclose this Agreement and the subject matter of this Agreement and the financial return and other financial performance, statistical information or other similar information in connection with fundraising, marketing, informational or reporting activities to or of such Affiliates, subsidiaries, funds or affiliated investment vehicles and to the partners, members or other current or prospective investors therein, subject to customary confidentiality restrictions in such Person's reasonable determination.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first set forth above.

COMPANY:

FLORIDA PROGRESS, LLC

By: _____

Name: [•]
Title: [•]

NEW INVESTOR:

PENINSULA POWER HOLDINGS L.P.

By: _____
Name:
Title:

Solely for the purposes of Section 4.2(h),

NEW INVESTOR PARENT:

PENINSULA POWER FINCO L.P.

By: _____
Name:
Title:

PROGRESS ENERGY:

PROGRESS ENERGY, INC.

By: _____
Name: [•]
Title: [•]

ATTACHMENT D

FORM OF SPECIAL NUCLEAR COMMITTEE CHARTER

FORM OF

SPECIAL NUCLEAR COMMITTEE CHARTER

A.1. Establishment and Purpose of Committee. As provided in Section 6.8(g) of that certain Amended and Restated Limited Liability Company Operating Agreement of Florida Progress, LLC, a Florida Limited Liability Company, dated as of [____] (the "LLC Agreement"), the Board shall establish a Special Nuclear Committee (the "SNC") for the purpose of ensuring that control over DEF's activities pursuant to NRC License No. DPR-72 (the "NRC License") is exercised exclusively by U.S. citizens who are independent from any foreign entities and in compliance with the foreign ownership, control, or domination ("FOCD") restrictions of the Atomic Energy Act, as amended, and the NRC regulations with respect thereto issued thereunder (collectively, the "AEA").[1] More specifically, the SNC is responsible for ensuring that (i) the Company's activities with respect to the NRC License are not subject to FOCD within the meaning of 10 C.F.R. § 50.38 and Section 103.d of the AEA, and (ii) all decisions with respect to Nuclear Safety Matters (as defined below) as they relate to the NRC License are within the exclusive control of the SNC. Except as otherwise defined herein, defined terms used in this charter shall have the meaning given to such terms in the LLC Agreement.

A.2. Membership. The SNC shall be chaired by the Chairman of the Board ("Chairman") and consist of at least three (3) other Managers. The Chairman and all other Managers appointed to the SNC shall be Progress Energy Designees who are U.S. citizens.

A.3. Term; Removal. Each member of the SNC shall serve for a term commencing on the date of their designation as a member of the SNC and ending when such member's term as Manager expires. During any Manager's term as a member of the SNC, such Manager shall not be removed except for willful and continued failure to substantially perform his or her duties to the Company in accordance with the Company's bylaws, or such member's conviction of fraud, embezzlement, theft, or other criminal felony conduct.

A.4. Vacancies. If any member of the SNC designated pursuant to A.2 of this charter, becomes vacant by reason of death, resignation, removal, disqualification, or otherwise, Progress Energy shall choose a successor in accordance with A.2, who shall hold office for the unexpired term.

A.5. Regular Meetings. Regular meetings of the SNC may be held at such places and at such times as the Chairman may designate or members of the SNC may by vote from time to time determine, and if so determined, no notice thereof need be given.

A.6. Special Meetings. Special meetings of the SNC may be held at any time and at any place when called by the Chairman or a majority of members of the SNC, with reasonable notice

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[1] While 42 U.S.C. § 2133, Pub. L. 118–67, § 301 (2025), commonly known as the "ADVANCE Act," lifted FOCD prohibitions for member nations of the Organisation for Economic Co-operation and Development, the SNC, in an abundance of caution and consistent with pre-ADVANCE Act precedent, solely includes U.S. citizens.

thereof given to each member of the SNC, or at any time without call or formal notice, provided that all members of the SNC are present or waive notice thereof by a writing which is filed with the records of the meeting. In all cases, it shall be deemed sufficient notice to a member of the SNC to send notice by mail at least forty-eight (48) hours before the meeting, addressed to such member at his or her usual or last known business or residence addressed.

A.7. Quorum. A majority of the members of the SNC shall constitute a quorum for the transaction of business, but a lesser number may adjourn any meeting from time to time, and the meeting may be held as adjourned without further notice. Except as otherwise provided, when a quorum is present at any meeting, a majority of the members in attendance shall decide any question consistent with the authority delegated in A.8 that is brought before such meeting.

A.8. Authority Delegated to SNC. Except as otherwise provided herein, the SNC shall have sole discretion and decision-making authority on behalf of the Company as to all Nuclear Safety Matters with respect to the NRC License. For purposes hereof, Nuclear Safety Matters with respect to the NRC License are matters which concern any of the following in connection with the NRC License:

(i) implementation or compliance with any Generic Letter, Bulletin, Order, Confirmatory Order or similar requirement issued by the NRC,

(ii) prevention or mitigation of a nuclear event or incident or the unauthorized release of radioactive material,

(iii) placement of a nuclear power plant in a safe condition following any nuclear event or incident,

(iv) compliance with the AEA, the Energy Reorganization Act, or any NRC rule, orders, or applicable successor legislation or rule,

(v) compliance with the NRC License and its technical specifications,

(vi) compliance with a specific Updated Final Safety Analysis Report, or other licensing basis document,

(vii) implementation of security plans and procedures, control of security information, control of special nuclear material, administration of access to controlled security information, and compliance with government clearance requirements regarding access to restricted data,

(viii) any other issue reasonably determined by a majority of the members of the Security Committee in office, in their prudent exercise of discretion, to be an exigent nuclear safety, security or reliability issue, and

(ix) appointment of (y) any successor Chairman and (z) any Chief Nuclear Officer of the Company (if applicable), in each case as nominated by the Board.

The SNC shall report to the Board on a quarterly basis with respect to its activities, but such reports are for informational purposes only, and any powers that the Board generally might otherwise have with respect to the matters delegated in this A.8 are, except as otherwise provided, permanently and irrevocably delegated to the SNC, until such time as the SNC is dissolved pursuant to A.13. The SNC shall generate an annual summary for the Board of any FOCD issues that have been identified and how those issues were resolved. The annual summary shall be submitted to the NRC, subject to appropriate protections of any company proprietary information or other confidential information, no later than January 31 of each year.

A.9. Certain Decisions Reserved to Board. Notwithstanding A.8 of this charter, after consultation with the SNC, the Board shall have, with respect to the Company's direct or indirect interests in the former nuclear power facility that is subject to the NRC License, the following rights:

(a) The right to determine to sell, lease, or otherwise dispose of the Company's interest in any such facility;

(b) The right to authorize and determine the budget related to the facility; and

(c) The right to take any action with respect to any such nuclear facility that is ordered by the SNC in accordance with A.8 or any governmental agency or court of competent jurisdiction.

A.10. Access to Restricted Information. To the extent that the Company, by virtue of its ownership of any direct or indirect interests in the former nuclear power facility subject to the NRC License, obtains any restricted data as to which access is restricted pursuant to the provisions of the AEA, access to any such information shall be limited solely to the members of the SNC, and the members of the SNC shall not, without the permission of the NRC, reveal any such information to any foreign citizen or other person with whom it shall be unlawful to share any such information.

A.11. Report of Foreign Influence; Whistleblower Protections. In the event that any member of the SNC believes that any action by a foreign citizen is designed to influence such member's behavior with respect to the former nuclear power facility subject to the NRC License to the detriment of the national interest of the United States of America, such member is authorized and directed to report such behavior to the NRC. The Company hereby extends to each member of the SNC the full protection of the NRC's "whistleblower" regulations, codified at 10 C.F.R. § 50.7. The Company agrees that the phrase "protected activity" used therein shall include, with respect to each member of the SNC, any action or decision made by any such member pursuant to this charter, including any votes case by any such member.

A.12. Amendments to SNC Charter. The provisions of this SNC charter shall not be amended or repealed (a) without the prior consent of the NRC, unless and until (i) permitted pursuant to the AEA, or (ii) the Company shall, with the consent of the NRC, have disposed of all of its interests, direct or indirect, in nuclear power facilities that are subject to the NRC License, and (b) without the approval of all "Members" (as defined in the LLC Agreement) of Florida

Progress, LLC, except as expressly required by applicable law or pursuant to dissolution of the SNC under A.13. For the avoidance of doubt, any amendment of the charter shall in all cases be subject to Section 6.8(g) of the LLC Agreement. In the event that the foregoing conditions shall have been met, the Company shall, prior to amending or repealing the provisions of this charter, notify the NRC of its intent to effect such amendment or repeal.

A.13. Duration and Dissolution of the SNC. The Company shall maintain the SNC only for so long as DEF is a licensee under the NRC License. In the event that DEF is released from, transfers, terminates or otherwise relinquishes the NRC License, the SNC shall be immediately disbanded, and all authority, responsibilities, and obligations of the SNC under this charter shall cease as of the effective date of such release, transfer, termination, or relinquishment.

ATTACHMENT E

SUPPORTING INFORMATION RELATED TO THE TRANSACTION

I. STATEMENT OF PURPOSE OF THE TRANSFERS AND NATURE OF THE TRANSACTION MAKING THE TRANSFERS NECESSARY OR DESIRABLE

The Transaction is an attractive and efficient form of financing for Duke. Further, the investment supports Duke's ability to serve customers in its fast-growing electric and gas utilities, strengthens its balance sheet and funds ongoing capital needs associated with its energy modernization strategy. Finally, as noted in the Request, the Transaction (which is a minority, indirect equity investment) does not affect, alter, or grant Peninsula Power Holdings any rights to direct or control DEF's actions with respect the NRC Licenses, any of the above rights, relationships or responsibilities, or DEF's financial obligations with respect to CR-3. Further, there will be no change in the identity of any CR-3 licensee nor any need for an amendment to any license or accompanying documents as a result of the proposed Transaction.

II. SUPPORTING INFORMATION

A. General Information Regarding DEF:

1. Name and Address

Duke Energy Florida, LLC
c/o Duke Energy Corporation
550 S. Tryon Street, DEC45A
Charlotte, NC 28202

2. Description of Business

DEF is a public utility that serves wholesale and retail customers in Florida. DEF owns generation, transmission and distribution facilities. DEF provides transmission services pursuant to a FERC-approved Open Access Transmission Tariff and distribution service pursuant to rate schedules approved by the Florida Public Service Commission ("FPSC"). As such, in addition to being regulated by the NRC pursuant to the NRC Licenses, DEF is subject to regulation by the FPSC and FERC.

3. Organization and Management

The following are the current Board of Directors of Duke (all are U.S. citizens):

- Kodwo Ghartey-Tagoe
- T. Preston Gillespie Jr.
- R. Alexander Glenn
- Louis E. Renjel
- Harry K. Sideris - Chairman

The following are the current principal officers of DEF (all are U.S. citizens):

- Kodwo Ghartey-Tagoe – Executive Vice President
- T. Preston Gillespie Jr. – Executive Vice President, Chief Generation Officer and Enterprise Operational Excellence
- R. Alexander Glenn – Executive Vice President and Chief Legal Officer
- Kelvin Henderson – Senior Vice President and Chief Nuclear Officer
- Louis E. Renjel – Executive Vice President and Chief Corporate Affairs Officer
- Brian D. Savoy – Executive Vice President and Chief Financial Officer
- Melissa L. Seixas – President
- Harry K. Sideris – Chief Executive Officer

Following closing of the Transaction, it is expected that the current directors and principal officers of DEF will remain in their current positions.

B. General Information Regarding Florida Progress

1. Name and Address

Florida Progress, LLC
c/o Duke Energy Corporation
550 S. Tryon Street, DEC45A
Charlotte, NC 28202

2. Description of Business

Florida Progress is an indirect wholly owned subsidiary of Duke. Florida Progress is the direct parent of DEF. Florida Progress' sole business is its ownership of DEF. Upon consummation of the proposed Transaction (i) Peninsula Power Holdings will acquire up to a 19.7% minority interest in Florida Progress, and (ii) Duke will retain indirect ownership of the remainder of the interests in Florida Progress.

3. Organization and Management

The following are the current Board of Directors of Florida Progress (all are U.S. citizens):

- Kodwo Ghartey-Tagoe
- R. Alexander Glenn
- Louis E. Renjel
- Brian D. Savoy

- Harry K. Sideris - Chairman

The following are the current principal officers of Florida Progress (all are U.S. citizens):

- Michael P. Callahan - Treasurer
- Cynthia S. Lee - Controller
- David S. Maltz - Secretary
- T. Cooper Monroe III - Vice President, Tax
- Harry K. Sideris - President

The post-closing principal officers of Florida Progress are not currently known. DEF commits to notify the NRC in writing of the names, citizenship, and position of the Florida Progress officers when they are identified.

Immediately prior to the closing of the proposed Transaction, the directors of Florida Progress are expected to resign and the board of directors will be renamed the board of managers. The composition of Florida Progress's post-closing Board is not yet known. DEF commits to notify the NRC in writing of the names and citizenship of post-close managers of Florida Progress when they are identified.

C. General Information Regarding Peninsula Power Holdings

1. Name and Address

Peninsula Power Holdings L.P.
c/o Brookfield Asset Management
Two Allen Center
1200 Smith Street Suite 640
Houston, TX 77002

2. Description of Business

Peninsula Power Holdings was formed for the purpose of effecting the Transaction and holding the Brookfield Corporation-controlled investment in Florida Progress. Peninsula Power Holdings currently conducts no other business activities other than the expected future ownership of the interests in Florida Progress that are the subject of the proposed Transaction.

3. Organization and Management

Peninsula Power Holdings is governed by its general partner Peninsula Power GP LLC, which in turn is governed by its sole member Brookfield GP. Brookfield GP is governed by its manager Brookfield Super-Core Infrastructure Partners GP of GP LLC ("Brookfield Manager").

The following are the current principal officers of Brookfield Manager (U.S. citizens denoted with *; Mr. Hattori is a citizen of Japan, which is an OECD country):

- Mark Srulowitz – Managing Partner*
- Brian Hurley – Managing Partner*
- Scott Peak – Managing Director*
- Fred Day – Vice President*
- Elisabeth Press – Senior Vice President*
- Matthew Gross – Senior Vice President*
- Ralph Klatzkin – Vice President*
- Keiji Hattori – Associate Vice President

The principal officers of Brookfield Manager are not currently expected to change in connection with closing the proposed Transaction.

Brookfield Manager is wholly and indirectly owned by Brookfield Corporation. The following are the current directors and principal officers of Brookfield Corporation (U.S. citizens denoted with *; the remainder are citizens of Canada, except for Lord O'Donnell and Mr. Goodman (United Kingdom) and Mr. Miranda (Spain); all are citizens of OECD countries):

- M. Elyse Allan – Director*
- Justin Beber – Chief Operating Officer and Director
- Jeffrey Blidner – Director
- Jack Cockwell – Director
- Maureen Darkes – Director
- Bruce Flatt – Chief Executive Officer and Director
- Janice Fukakusa – Director
- Nicholas Goodman – President and Chief Financial Officer
- Brian Lawson – Director
- Howard Marks – Director*
- Frank McKenna – Director
- Rafael Miranda – Director
- Lord O'Donnell [AKA Augustine Thomas O'Donnell] – Director
- Hutham Olayan – Director*
- Samuel J.B. Pollock – Director
- Satish Rai – Director
- Diana Taylor – Director*

Leadership of Brookfield Corporation is not currently expected to change in connection with closing the proposed Transaction.

III. FOREIGN OWNERSHIP OR CONTROL

The Transaction will not result in DEF or its interests in the NRC Licenses becoming owned, controlled, or dominated by an alien, foreign corporation or a foreign government. Peninsula Power Holdings is controlled by Brookfield Corporation, a Canadian corporation. However, as demonstrated above in the Request, the NRC has frequently found that similar minority investments made by foreign entities do not constitute control for purposes of triggering the AEA's prohibition on foreign ownership, control or domination of NRC licensee holding a license in nuclear power "production and utilization" facility which include nuclear power electric generating facilities such as CR-3 prior to its permanent shutdown, defueling and commencement of decommissioning activities.[1]

Notably, the NRC has also found that permanently shut-down NRC-licensed nuclear power electric generating facilities that are in the process of being decommissioned and can no longer operate as "production and utilization" facilities are no longer subject to the AEA's prohibition on foreign ownership, control, or domination of "production and utilization" facilities.[2] Moreover, the ADVANCE Act passed by Congress and signed into law in July 2024[3] removed the AEA's prohibition on foreign ownership, control or domination, of NRC-licensed "production and utilization" facilities with respect to certain OECD members, including Canada.[4] Therefore, Peninsula Power Holdings' minority investment would not be prohibited even if the investment were to result in Canadian ownership, control, or domination.

Finally, out of an abundance of caution to ensure that there cannot be any impermissible foreign, ownership, domination, control or influence over DEF's NRC License No. DPR-72, as stated above in the Request, DEF commits to establish a Special Nuclear Committee of the Board responsible for overseeing DEF's activities pursuant to NRC License No. DPR-72, with such committee made up of U.S. citizens

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1 Request at 6.

2 Letter from M. Lombard (NRC) to W. Norton (Maine Yankee) re: Request for Exemption from Title 10 of the Code of Federal Regulations 50.38 Requirements (July 15, 2013) (ML13086A010).

3 Pub. L. No. 118–67.

4 42 U.S.C. § 2133 note, Pub. L. 118–67, § 301 (2025); *see also* OECD, *Member Countries* (last accessed Aug. 27, 2025), https://www.oecd.org/en/about/members-partners.html (listing Canada as OECD member).

that are Progress Energy Designees and therefore not appointed by Peninsula Power Holdings.[5]

IV. TECHNICAL QUALIFICATIONS

The Transaction will not require any change in DEF's, ADP's, or ADP SF1's management or staffing of its nuclear organization or procedures or have any effect whatsoever on DEF's, ADP's, or ADP SF1's technical qualifications to perform their respective obligations under the NRC Licenses.

V. FINANCIAL QUALIFICATIONS

After closing of the Transaction, DEF will continue to generate, transmit and distribute electricity to ratepayers and recover its costs for such activities through rates authorized by the Florida Public Service Commission ("FPSC") and the Federal Energy Regulatory Commission ("FERC"). Accordingly, following closing of the Transaction (i) DEF will continue to meet the definition of "electric utility" set forth in 10 C.F.R. § 50.2, and (ii) DEF's financial qualifications are presumed under 10 C.F.R. § 50.33(f) and no specific demonstration of financial qualifications is required.

VI. DECOMMISSIONING FUNDING ASSURANCE

The Proposed Transaction will have no effect on the decommissioning funding assurance currently in place for CR-3. Information regarding the status of decommissioning funding for CR-3 as of December 31, 2024, was reported to the NRC in accordance 10 C.F.R. § 50.75(f)(1) on March 28, 2025. The CR-3 decommissioning funds are currently in full compliance with 10 C.F.R. § 50.75(f). Following the closing of the Transaction, DEF will (i) continue to maintain its existing decommissioning trust funds segregated from its assets and outside its administrative control in accordance with the requirements of 10 C.F.R. § 50.75(e)(1), (ii) remain responsible for the decommissioning liabilities associated with its ownership interests in CR-3, and (iii) continue to fund its decommissioning trusts through rates authorized by the FPSC and in accordance with 10 C.F.R. § 50.75.

VII. PRICE-ANDERSON INDEMNITY AND NUCLEAR INSURANCE

The indirect transfer of the NRC Licenses resulting from the Transaction will have no effect on the existing Price-Anderson indemnity or the nuclear insurance (property and liability) for CR-3. DEF and ADP CR3, as applicable, will continue to maintain the required nuclear property damage insurance coverage pursuant to 10 C.F.R. § 50.54(w) and nuclear liability insurance pursuant to Section 170 of the AEA and 10 C.F.R. Part 140. Annual reporting by DEF in compliance with 10 C.F.R. § 140.21 provides reasonable assurance of DEF's ongoing ability to pay its share of any

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[5] Request at 4.

annual retrospective premium. As the Transaction does not result in any change to DEF, no revisions to the indemnity agreements for CR-3 are required.

VIII. ANTITRUST INFORMATION

The NRC has found that antitrust reviews of post-operating license transfer applications are neither required nor authorized by the AEA. *Final Rule, Antitrust Review Authority: Clarification*, 65 Fed. Reg. 44,649 (July 19, 2000); *see also Kansas Gas and Electric Co.* (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999). Accordingly, no antitrust review is required with respect to the indirect transfers of minority equity interests that would result from the Transaction.

IX. RESTRICTED DATA AND CLASSIFIED NATIONAL SECURITY INFORMATION

This request does not contain any Restricted Data or Classified National Security Information (as such term is defined under the AEA and the NRC's implementing regulations thereunder) and does not involve any change in access to such Restricted Data or National Security Information. Existing restrictions on access to Restricted Data and Classified National Security Information pertaining to CR-3 and DEF's NRC Licenses rights with respect thereto are unaffected by the Transaction.

X. ENVIRONMENTAL CONSIDERATIONS

Any indirect transfer of control over the NRC Licenses that may result from the Transaction is exempt from environmental review because it falls within the categorical exclusion established under the Commission's regulations at 10 C.F.R. § 51.22(c)(21) which excludes from environmental review "[a]pprovals of direct or indirect license transfers of any license issued by the NRC and any associated amendments required to reflect the approval of a direct or indirect transfer of an NRC license."

XI. CONFORMING LICENSE AMENDMENTS

The indirect transfer of the NRC Licenses resulting from the Proposed Transaction makes no changes to CR-3 or its NRC licensees requiring conforming license amendments.

XII. REGULATORY COMMITMENTS

There are no new regulatory commitments associated with the Proposed Transaction.