

FIRST AMENDMENT TO LEASE AGREEMENT

This First **Amendment** (“Amendment”) to that certain Lease Agreement entered into as of June 28, 2002 by and between Carolina Power & Light Company now known as Duke Energy Progress, LLC (“Duke Energy”), the North Carolina Eastern Municipal Power Agency and Wake County (“Wake County”) (collectively, the “Lease Agreement”), is made and entered into by and between Duke Energy and Wake County as of the ____ day of _____, 2017. Both Duke Energy and Wake County may herein be referred to as a “Party” or collectively as the “Parties” as the context may require. All capitalized terms not otherwise defined in this Amendment shall have the meanings given to them in the Lease Agreement.

WITNESSETH:

WHEREAS, on or about June 28, 2002, Carolina Power & Light Company, the North Carolina Eastern Municipal Power Agency and Wake County entered into the ten (10) year Lease Agreement for the purpose of Wake County’s construction, development and joint use of a firefighting training center with Duke Energy which involved approximately 17.82 acres of land (“the Property”) owned by both Carolina Power & Light Company and the North Carolina Eastern Municipal Power Agency at the Shearon Harris Nuclear Power Plant, Buckhorn Township, Wake County, North Carolina (“Harris Plant”); and

WHEREAS, on or about July 9, 2012, Wake County exercised its right to extend the term for an additional five (5) years, resulting in a new termination date of December 31, 2017; and

WHEREAS, on or about April 29, 2013, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. pursuant to Articles of Amendment filed with the North Carolina Secretary of State, changed its corporate name to Duke Energy Progress, Inc.; and

WHEREAS, on or about July 31, 2015, pursuant to a Special Warranty Deed recorded in Deed Book 16104, Page 107 of the Wake County Registry, Duke Energy Progress, Inc. purchased the North Carolina Eastern Municipal Power Agency’s ownership interest in the Harris Plant and as such, the North Carolina Eastern Municipal Power Agency is no longer a necessary party to this First Amendment; and

WHEREAS, on or about August 1, 2015, Duke Energy Progress, Inc. pursuant to Articles of Conversion filed with the North Carolina Secretary of State, converted to Duke Energy Progress, LLC; and

WHEREAS, prior to the December 31, 2017 termination date, the Parties agree that it is in their mutual interest to enter into this First Amendment to extend the term of the Lease Agreement and hereby agree to extend the term of the Lease through and including December 31, 2022 and provide for further extensions as set forth herein.

NOW, THEREFORE, in consideration of the premises and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Duke Energy and Wake County hereby agree as follows:

1. The recitals above are incorporated herein and made part of this Agreement.
2. Duke Energy warrants and covenants to Wake County that: (i) Duke Energy owns the Property in fee simple, (ii) Duke Energy has full right and authority to execute this First Amendment to

Lease Agreement and lease the Property to Wake County upon the terms and conditions set forth herein; and (iii) Wake County shall peacefully and quietly hold and enjoy the Property for the full Term hereof so long as no Event of Default occurs or the Lease Agreement is not otherwise terminated.

3. The terms of the Lease Agreement are amended as follows:

- i. All references to “Carolina Power & Light Company” are hereby replaced with “Duke Energy Progress, LLC” as the successor and assign to Carolina Power & Light Company.
- ii. All references to “North Carolina Eastern Municipal Power Agency” shall be removed by virtue of its transfer of all interest and ownership in the Harris Plant to Duke Energy.
- iii. Section Two “Term” is hereby deleted in its entirety and is replaced with the following:

The term of this LEASE AGREEMENT shall commence as of January 1, 2002 and shall continue until December 31, 2022 (the “Expiration Date”), subject to the right of cancellation as set out in paragraph (3) below. Provided LESSEE shall not then be in default beyond any applicable grace or cure period and the lease has not been terminated, this LEASE AGREEMENT shall automatically be extended at the end of each five year term for four (4) successive terms of five (5) years. This LEASE AGREEMENT may be terminated by either Party upon written notice at least twelve (12) months prior to the expiration of the then current term or renewal term of its intent to terminate this LEASE AGREEMENT.

- iv. Section Nineteen “Notice” is hereby deleted in its entirety and replaced with the following:

When notice is given hereunder, such notice shall be deemed given if sent to LESSOR by certified mail, return receipt requested, postage prepaid to all of the following persons:

*Duke Energy Progress, LLC
Real Estate Department
550 South Tryon Street
Mail Code DEC 22A
Charlotte, NC 28201
Attention Keith McGuinness*

*Duke Energy Progress, LLC
5413 Shearon Harris Road
New Hill, N.C. 27562
Mail Code HNP 01
Attn: HNP Vice President*

*Duke Energy Progress, LLC
5413 Shearon Harris Road
New Hill, N.C. 27562
Mail Code HNP 01
Attn: HNP Control Room*

*Duke Energy Progress, LLC
5413 Shearon Harris Road
New Hill, N.C. 27562
Mail Code HNP 01
Attn: HNP Plant Security*

*Duke Energy Progress, LLC
5413 Shearon Harris Road
New Hill, N.C. 27562
Mail Code HNP 01
Attn: HNP Fire Marshall*

*Duke Energy Progress, LLC
5413 Shearon Harris Road
New Hill, N.C. 27562
Mail Code HNP 05
Attn: HNP Environmental Coordinator*

and to LESSEE, by certified mail, return receipt requested, postage prepaid to:

Wake County Attorney's Office
Attn: County Attorney
P.O. Box 550
Raleigh, N.C. 27602

With copy to:
Wake County
Attn: Director, General Services Administration
PO Box 550
Raleigh, NC 27602

With copy to:
Wake County
Attn: Director, Facilities Design & Construction
P. O. Box 550
Raleigh, NC 27602

4. Except as expressly affected by the provisions hereof, the Lease Agreement, as amended by this First Amendment, shall remain in full force and effect in accordance with its terms and is ratified and confirmed by the Parties hereto.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed as of the day and year first above written.

DUKE ENERGY PROGRESS, LLC.

WAKE COUNTY

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: Chairman, Wake County Board of
Commissioners

ATTEST:

By: _____
Clerk, Wake County Board of Commissioners