



Windsor Built Homes
PO BOX 16449
Greenville, SC 29601

06/26/15

Re: Lakeside Meadows Ph 1
Brown Ave. , Weaverville NC
Residential Subdivision
25 Lots
Lot Numbers: 1-25

Pursuant to your request, Duke Energy Progress, Inc. (hereinafter referred to as Company) is pleased to make this Agreement with Windsor Built Homes (hereafter referred to as Owner). Company will install an underground primary distribution system within Lakeside Meadows Ph 1 located near Brown Ave. in Weaverville, North Carolina (the Development) under the provisions of Company's Line Extension Plan 61. A copy of Plan 61 is attached.

Company shall install, own, and maintain the distribution system in accordance with its specifications and as shown on the attached Company Drawing No. PDw7158 dated 6/24/2015. The primary electric distribution system shall be used to provide electrical service to residential dwellings. However, this Agreement does not provide for the installation of secondary service lateral facilities and service connections to the individual residential dwellings within the Development. Secondary service laterals and service connections will be negotiated on an individual basis as necessary for providing electric service to those individual customers.

Owner shall furnish, without cost, the necessary easements and rights of way so that Company can use normal methods of installing distribution facilities. In addition, Owner will have the rights of way and street crossings at final grade and lot lines established before construction of the system. The Company shall not be responsible for the repair or replacement of underground facilities damaged during the installation of the Company's facilities, unless prior to the Company's construction, Owner clearly identifies the location of such facilities.

Since Owner's project is to be developed in phases, Company agrees to install its facilities necessary to serve Phase 1, lots 1-13, 37-41 at this time.

If changes are made in this Development requiring Company to redesign, relocate, or abandon any of its installed facilities an additional contribution may be required.

Owner shall place a cash deposit or acceptable (Company approved) five year annually renewing Irrevocable Stand-By Letter of Credit with Company for the sum of \$13,835.10 for Company's estimated cost of facilities to serve 10 lots (25 total lots in development minus 15 lots allowed without deposit). The cost per lot is \$1,383.51. Should the Owner provide a cash deposit, then after 15 dwellings have been occupied in Lakeside Meadows Ph 1, Owner will be eligible for annual cash refunds in the amount of \$1,383.51 for each additional dwelling (beyond the initial 15 dwellings) that is occupied within the preceding twelve-month period. Notwithstanding the five year term of this Agreement, any cash deposit held by the Company for a period of five years and four months from the Effective Date of this Agreement, will no longer be subject to refund and will be retained by the

Company. The parties further acknowledge and agree that the additional four months added to the end of the fifth year anniversary of the Agreement's Effective Date is part of the consideration under this Agreement and will: i) allow Company a reasonable time period to respond to contractual delays and Owner delays and thereafter install Company's electrical facilities that are required to provide service to Owner's Development; and ii) allow Owner additional time to complete its Development build-out obligations under this Agreement and potentially decrease the draw upon Owner's Irrevocable Stand-By Letter of Credit. Should the Owner provide an acceptable (Company approved) five year, annually renewing Irrevocable Stand-By Letter of Credit as the form of deposit, then at any time within sixty days prior to the expiration of the five year contract or the expiration of the five year annually renewing Irrevocable Stand-By Letter of Credit, Company will draw upon the Irrevocable Stand-By Letter of Credit for the amount of \$1,383.51 for each dwelling that is not built and served with a permanent residential electric service account.

The parties hereto agree that irreparable damage would occur 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 an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

We are pleased to be able to make this offer and trust that you will find these arrangements satisfactory to your needs. Please execute and return the original of this Agreement to us. You may retain the duplicate original for your files.

Yours truly,

Duke Energy Progress, Inc

By: _____
Manager Design Engineering

ACCEPTED AND AGREED TO:

By: Windsor Built Homes



Signature



Title

