SERTP Announcement

April 26, 2013

The Southeastern Regional Transmission Planning (SERTP) process members currently include Southern Company, Georgia Transmission Corporation (GTC), MEAG Power, Dalton Utilities, South Mississippi Electric Power Association (SMEPA), PowerSouth Energy Cooperative, Tennessee Valley Authority (TVA), Associated Electric Cooperative Inc. (AECI), Louisville Gas and Electric Company and Kentucky Utilities Company (LG&E/ KU), and Ohio Valley Electric Corporation (OVEC). FERC jurisdictional entities include Southern, LG&E/ KU and OVEC.

In accordance with the Federal Energy Regulatory Commission’s (FERC’s) February 21, 2013 Order denying the region proposed by Duke Energy Carolinas LLCs and Carolina Power and Light company (which is changing its name to Duke Energy Progress, Inc. on April 29, 2013) – collectively “Duke Energy” – as a valid region for purposes of Order No. 1000 (the North Carolina Transmission Planning Collaborative), Duke Energy will adopt the SERTP for purposes of complying with Order No. 1000’s requirements.

• Duke Energy’s proposed membership in the SERTP will be under protest, and is provisional, subject to the outcome of Duke Energy’s rehearing request of the February 21, 2013 Order and to other entities’ appeals of Order No. 1000 currently pending before the D.C. Circuit Court of Appeals.

• Duke Energy is required to make a compliance filing by May 22, 2013. The involved parties are in the process of moving forward with activities necessary for Duke Energy to adopt the SERTP process per FERC’s Order 1000 regional requirements.