Dear Buck Station neighbor,

I hope message this finds you well in 2015. We recently celebrated the third anniversary of the Buck Combined Cycle Station, and our safe operations are a responsibility we take very seriously every day. With that in mind, I wanted to share a few updates about activities at both the natural gas plant and the retired coal plant that may interest you:

**Installing groundwater wells**

Duke Energy is initiating a comprehensive study of groundwater near ash basins at our North Carolina coal plants. These data points will help inform ash basin closure decisions and will help determine any additional groundwater monitoring requirements. This process will involve installing additional groundwater monitoring wells across our 14 plant sites, including the retired Buck Steam Station. Well installation should not affect you, but may be visible. We expect well drilling to last two to three months.

We understand the importance of protecting groundwater near our facilities, and this has driven the company’s monitoring program, previous studies and work toward closing ash basins. We have been monitoring groundwater around the Buck ash basins since 2006 and report data to state regulators routinely. Based on our on-site monitoring program and independent lab testing to date, results show no indication that ash basins have influenced neighbors’ well water.

**Closing ash basins**

Buck Steam Station has three ash basins at the site, and we will complete some projects in the next few years to allow us to close those. This plant will follow a classification process directed in a new state law for how and when basins should be closed.

A new federal coal ash rule also was finalized in December 2014, and we’re working to understand how those requirements will affect the plant. Scientific and engineering studies are underway – these studies will help to inform our ash basin closure recommendations. Any closure method we propose will protect neighbors and comply with state and federal regulations. For more information on our ash management practices, visit duke-energy.com/ash-management.

**Decommissioning the coal plant**

Decommissioning and demolition work continues at the site. We plan to remove the water tower in the next few weeks. While the brief noise may be audible near the site when it falls, we do not expect a significant impact to the community.

Later this year, we expect to begin dredging work in the Yadkin River near the plant’s water intake system. This system currently serves the Buck Combined Cycle units and soon will be separated from support...
systems at the steam station. The work is part of routine maintenance at the site intake and also will allow the company to move forward with demolishing the steam station powerhouse. Once we receive the appropriate permits, work will be conducted at the intake by barge and is expected to last a few months, weather permitting.

**Giving back**

As neighbors, the employees at Buck Combined Cycle Station continue to be actively engaged in multiple community service projects. For example, over the past four years, the site has been directly involved with the Rowan County United Way campaigns. They've also been heavily involved with the Second Harvest Food Bank programs, as well as many community restoration and improvement efforts. In addition, the company has provided both the Rowan-Cabarrus County and Davidson County community colleges with nearly $1 million each through the Duke Energy Community College Grant Program.

I hope you find this update helpful and informative, and we'll continue to keep you informed of significant milestones. If you have any questions, please feel free to contact us at 800.265.6518 or CoalAshQuestions@duke-energy.com.

Sincerely,

Randy D. Welch
District Manager
Duke Energy