

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Duke Energy Corporation)	
)	
Progress Energy, Inc.)	Docket No. EC11-60-000

**COMPLIANCE FILING OF
DUKE ENERGY CORPORATION
AND PROGRESS ENERGY, INC.**

In compliance with the Commission's Order issued on September 30, 2011 (the "Merger Order"),¹ Duke Energy Corporation ("Duke Energy") and Progress Energy, Inc. ("Progress Energy") (collectively, the "Applicants") submit their proposal for mitigating the screen failures identified by the Commission in its Merger Order.² As explained below, this mitigation proposal completely eliminates those screen failures.

The Applicants request that the Commission issue an order approving this filing no later than its December 15 Open Meeting, so that the Applicants may close on their merger by the end of the year. In order to achieve this goal, the Applicants further request that the Commission immediately notice this filing, which has been served on all parties to this case.³

I. DESCRIPTION OF MITIGATION PROPOSAL

In the Merger Order, the Commission ordered the Applicants to submit a proposal to mitigate the screen failures calculated based on EQR data, including screen failures shown on the

¹ *Duke Energy Corp.*, 136 FERC ¶ 61,245 (2011).

² The Applicants reserve their right to file a Request for Rehearing of the Merger Order.

³ In an effort to obtain all FERC approvals needed by the end of this year to close the merger transaction, Applicants are also filing this week two Section 205 filings with the Commission – concerning their Joint OATT and the Joint Dispatch Agreement.

plus 10 percent and minus 10 percent price sensitivities that the Applicants submitted. Merger Order at P 145. The Commission held that this mitigation can take the form of one or more of the following: (1) membership in a Regional Transmission Organization ("RTO"), (2) implementation of an independent coordinator of transmission ("ICT") arrangement, (3) generation divestiture, (4) virtual divestiture, and/or (5) transmission upgrades. *Id.* at P 146.

The proposal submitted herein adopts the fourth option suggested by the Commission – virtual divestiture – instead of physical generation divestiture. The Applicants do not have Available Economic Capacity in all time periods, and divesting a unit that is needed to serve native load in some time periods would result in an unwarranted increase in the cost of serving retail and wholesale native load customers in those periods. The Applicants' proposal addresses the competitive concerns identified in the Merger Order, while at the same time allowing the Applicants to retain the ability to use that capacity to serve native load wholesale and retail customers in those hours when it is so needed. Such an approach best satisfies the twin goals of addressing the Commission's market power concerns regarding Available Economic Capacity and at the same time keeping the Applicants in a position to reliably serve their native load customers.

Attached as Exhibit A is a term sheet for the sale of Available Economic Capacity that constitutes the Applicants' virtual divestiture proposal.⁴ The principal terms are summarized below. Exhibit B is an affidavit (including the work papers) from Dr. William Hieronymus, who prepared the Competitive Analysis Screen ("CAS") submitted by the Applicants with their

⁴ Assuming that the Applicants are able to close the merger before the end of the year, they would implement the mitigation proposal described herein on January 1, 2012.

Application, showing how the proposed sales will mitigate the screen failures identified in the Merger Order.

Nature of Mitigation Offered by Applicants

This proposed mitigation consists of a "must offer" obligation for the Applicants to sell specific quantities of energy at cost-based rates to entities that serve load, directly or indirectly, in the Duke Energy Carolinas ("DEC") BAA and Progress Energy Carolinas ("PEC") East BAA. The product sold replicates the Available Economic Capacity product analyzed by the Commission, and is referred-to herein as "AEC Energy." Sales will be made pursuant to the Applicants' existing cost-based tariffs,⁵ and under standard and reasonable terms for sales of this type of product.

Location of AEC Energy Sales

Table 1 of the Merger Order shows screen failures the Commission identified in the Summer and Winter seasons for the DEC BAA, and screen failures in the Summer season in the PEC East BAA. Merger Order at P 134. The Applicants' must offer obligation therefore would apply in the DEC BAA in the summer and winter seasons and in the PEC East BAA in the summer season. Consistent with the competition analysis performed by the Applicants, the summer season consists of the months of June, July, and August, and the winter season consists of the months of December, January, and February. The obligation to offer AEC Energy will apply for the entirety of these seasons, even though the Commission found screen failures in only certain load conditions within those seasons.

⁵ The DEC cost-based tariff was approved in Docket Nos. ER96-110-016, ER05-1272-000, and ER05-1272-001. The PEC cost-based tariff was approved in Docket No. ER10-1759.

Because the Commission found no screen violations in either BAA in the shoulder (fall and spring) seasons, or in the PEC East BAA in the winter, no offers would be required in those seasons. Further, because the Commission found no screen violations in the PEC West BAA in any season, no offers would be required for PEC West.

Nature of the AEC Energy Must Offer Obligation

The obligation to offer AEC Energy is a must offer obligation imposed on the Applicants, but with no corresponding obligation for any entity to purchase any specific amount of energy. If the full amount of AEC Energy offered at the cost-based prices (described below) is not purchased in a particular hour, the Applicants can offer to sell the unsold amount to other parties either inside or outside of the Applicants' BAAs consistent with their applicable tariffs.

Amount of Must Offer AEC Energy Obligation

The Applicants will offer 300 MWh of AEC Energy in the DEC BAA in each hour of the summer and 225 MWh of AEC Energy in each hour of the winter. Similarly, they will make 500 MWh of AEC Energy available for sale in each hour in the PEC East BAA in summer. The only limit on the obligation to offer AEC Energy is that the Applicants must have generation resources available and not needed to serve retail and wholesale native load or existing (as of the date the merger closes) firm sales (including operating reserves). When no such generation resources are available, the Applicants will not have any Available Economic Capacity, and thus will have no ability or incentive to exercise market power in the Available Economic Capacity market.

Obligation to Deliver AEC Energy

The Applicants must deliver the amount of energy purchased during the offer process (described below), subject to interruption only if necessary for the Applicants to comply with their reliability obligations.

Price of AEC Energy

The price at which AEC Energy must be offered is the forecasted average incremental cost (after serving retail and wholesale native load and existing (as of the date the merger closes) firm obligations) of the Applicants plus 10%. The price will be established on a day-ahead basis based on the amount and hours of energy actually purchased during the offer process.⁶ This price appropriately reflects the cost of the AEC Energy product that is analyzed under the Commission's merger regulations and thus is the appropriate price for virtually divesting Available Economic Capacity, as required by the Commission. This offer price also is consistent with the Applicants' respective cost-based tariffs.

AEC Energy Sales Process

AEC Energy will be offered on a day-ahead basis, and the Applicants will be obligated to commit generation units if necessary to satisfy requests for AEC Energy, with the associated start-up and related costs included in the incremental costs to be recovered. To the extent that more offers to purchase AEC Energy are made than there is energy available under the must offer commitment, the AEC Energy will be allocated among all purchasers on a pro rata basis. Eligible purchasers of AEC Energy will be limited to entities ultimately serving load located in the PEC East and DEC BAAs. The energy purchased must sink in the PEC East and/or DEC

⁶ The virtual divestiture sales will be treated for accounting purposes as "New Non-Native Load Sales" under the Applicants' proposed Joint Dispatch Agreement.

BAA, as applicable, and may not be used to replace less costly resources that are sold outside of the applicable BAA. The entities eligible to purchase AEC Energy are the entities that would be affected by any exercise of market power in the PEC East and DEC BAAs, and thus constitute the class of customers that the mitigation is designed to protect.

Independent Entity to Monitor Compliance

The Applicants recognize that the Commission will require that their performance be monitored to ensure that the Applicants are in compliance with this proposal. The Applicants propose to engage an independent monitoring entity to perform this function. Each day, the Applicants will provide the independent monitoring entity with the information regarding the AEC Energy offered and sold the previous day, including all requests to purchase AEC Energy, the calculations of available generation capacity, and the calculations of the price at which the AEC Energy was sold. To the extent that the independent monitoring entity believes that the Applicants are not in compliance with their commitment, the independent monitoring entity would inform the Applicants and make a filing with this Commission explaining its reasons for reaching this conclusion.

The Applicants have not yet selected the independent monitoring entity, but anticipate selecting an entity that already performs similar functions in the electric utility industry. The Applicants will make an informational filing with the Commission prior to the first offer under this proposal. This filing will identify the independent monitoring entity and confirm that the independent monitoring entity is in place and able to perform its functions as of the date that the Applicants' mitigation proposal takes effect.

Term of AEC Energy Obligation

The Applicants propose that their obligation to offer AEC Energy would last for a term of 8 years. The Commission has held on a number of occasions that the long-term capacity markets are competitive,⁷ and an eight year term provides a more than adequate amount of time for new entry -- the time it would take for a number of different types of competing generation capacity to be planned, sited, receive regulatory approval and installed.

Effect of Future Transmission Expansion

Finally, the Applicants propose that they would have the right to file at the Commission in the future to reduce their must offer obligation by the amount of any increase in import capability resulting from new transmission constructed into the PEC East and DEC BAAs, beyond what has currently been planned. The Commission would be able to evaluate the proposal at that time and, to the extent that the Commission agrees with the Applicants' analysis, it would authorize a reduction in the Applicants' must offer obligation equal to the amount of new imports that will become available in the BAA. As noted above, the Commission found in the Merger Order that transmission expansion would constitute acceptable mitigation, and this aspect of the Applicants' proposal simply substitutes one form of acceptable mitigation for another.

II. THE APPLICANTS' VIRTUAL DIVESTITURE PROPOSAL FULLY MITIGATES THE SCREEN FAILURES IDENTIFIED BY THE COMMISSION

The Applicants' virtual divestiture proposal to sell AEC Energy fully mitigates the screen failures identified by the Commission. First, by obligating themselves to sell AEC Energy in the DEC and PEC East BAAs, the Applicants are tailoring their proposal to the exact market power

⁷ See Order No. 888, FERC Stats. & Regs. ¶ 31,036 at 31,649 n.86 (emphasis added) (citation omitted).

concern identified by the Commission, which resulted from screen failures under the Available Economic Capacity measure in the DEC and PEC East BAAs. The Applicants must offer obligation will ensure that Available Economic Capacity will be made available in the relevant BAAs and that the Applicants cannot economically or physically withhold such capacity from the market in order to raise prices.

Second, the amount of AEC Energy that must be offered will be adequate to mitigate the screen failures identified by the Commission in the Merger Order. Attached as Exhibit B to this Compliance Filing is the affidavit of Dr. Hieronymus, who has recalculated the CAS results for the DEC and PEC East BAAs, taking into account the Applicants' virtual divestiture proposal.

The results of Dr. Hieronymus' analysis are summarized on two tables. Table 1 shows the results for the DEC BAA for the base case and two sensitivities identified by the Commission in the Merger Order:

Table 1 (Duke Energy Carolinas BAA)

	Base Case				Price increase 10%			Price decrease 10%		
	Divested MW	Pre- Merger	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
		HHI	HHI	HHI		Chg.	HHI		Chg.	HHI
S_SP1	300	1126	820	(306)	1131	825	(306)	786	788	2
S_SP2	300	2277	1944	(333)	2332	2145	(187)	1488	1077	(411)
S_P	300	1815	1255	(560)	2722	2338	(384)	1820	1266	(554)
S_OP	300	3434	3427	(7)	3475	3511	36	2027	1870	(157)
W_SP	225	405	377	(28)	554	389	(165)	400	385	(15)
W_P	225	1091	884	(207)	1090	916	(174)	516	407	(109)
W_OP	225	1963	1925	(38)	2014	2055	41	1530	1446	(84)
SH_SP	0	1472	1475	3	1779	1779	-	393	404	11
SH_P	0	460	494	35	464	447	(17)	432	348	(85)
SH_OP	0	371	402	31	642	791	149	405	387	(18)

As this table shows, the virtual divestiture proposal completely mitigates the screen failures in the DEC BAA identified by the Commission in the Merger Order. This is true under the Base Case as well as the plus 10% and minus 10% price sensitivities required by the Commission.

Table 2 shows the results for the PEC East BAA:

Table 2 (Progress Energy Carolinas BAA)

	Base Case				Price increase 10%			Price decrease 10%		
	Divested MW	Pre- Merger	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
		HHI	HHI	Chg.		HHI	HHI		Chg.	HHI
S_SP1	500	524	468	(56)	465	427	(38)	567	516	(51)
S_SP2	500	590	459	(131)	699	549	(150)	485	429	(56)
S_P	500	368	354	(14)	729	814	85	339	334	(5)
S_OP	500	1301	1361	60	1379	1380	1	1198	816	(382)
W_SP	0	466	393	(73)	394	409	15	524	445	(79)
W_P	0	336	431	96	353	452	100	474	425	(49)
W_OP	0	568	992	424	598	988	391	495	655	160
SH_SP	0	413	430	17	443	421	(22)	375	410	36
SH_P	0	447	498	51	460	451	(9)	423	405	(18)
SH_OP	0	381	412	32	822	932	110	375	366	(10)

Again, the results show that, with the proposed mitigation, the screen failures identified by the Commission in the PEC East BAA are eliminated in all three market price scenarios.

Dr. Hieronymus also explains why the AEC Energy product offered by the Applicants represents an appropriate form of mitigation. As he discusses in more detail, (1) the Applicants have ensured that there will be AEC deliverable into the DEC and PEC East BAAs in an amount that fully mitigates the concerns identified in the Merger Order; (2) potential purchasers of AEC Energy have access to power under conditions that are more favorable than either if the Transaction had not occurred or if actual rather than virtual divestiture were used for mitigation; and (3) the pricing of the AEC Energy product is quite favorable to purchasers and represents the lowest cost of the Applicants' available capacity that matches the product definition of Available Economic Capacity established by the Commission. Hieronymus Affidavit at ¶¶ 20-24.

The analysis performed by Dr. Hieronymus therefore demonstrates that the Applicants' market mitigation proposal fully satisfies the requirements in the Merger Order that all screen failures associated with the Base Case and plus 10% and minus 10% price sensitivities identified by the Commission. The virtual divestiture therefore satisfies the Commission's requirements and should be approved.

CONCLUSION

The Applicants' virtual divestiture mitigation proposal fully mitigates the screen failures identified in the Merger Order. Consequently, the Applicants request that the Commission approve this filing no later than December 15, so that they can close their merger by the end of the year.

Respectfully submitted,

/s/ Mike Naeve

Mike Naeve
William S. Scherman
Matthew W.S. Estes
Kathryn Kavanagh Baran
Skadden, Arps, Slate,
Meagher & Flom LLP
1440 New York Avenue, N.W.
Washington, DC 20005

*Counsel for Duke Energy Corporation and
Progress Energy, Inc.*

Catherine S. Stempien
Senior Vice President, Legal
Paul Kinny
Associate General Counsel
Duke Energy Corporation
550 South Tryon Street
Charlotte, NC 28202

Counsel for Duke Energy Corporation

Kendal Bowman
Associate General Counsel
Danielle T. Bennett
Associate General Counsel
Progress Energy, Inc.
410 South Wilmington Street
Raleigh, NC 27601

Counsel for Progress Energy, Inc.

October 17, 2011

EXHIBIT A

Term Sheet for Virtual Divestiture

Obligation	The Applicants must offer to sell energy in each hour in the summer and winter seasons in the relevant BAAs, as defined below.
Product	AEC Energy (as defined by this term sheet). Sales will be made pursuant to the Applicants' existing cost-based tariffs, and under standard and reasonable terms for sales of this type of product.
MWh of AEC Energy offered in each summer hour	500 MWh delivered in the PEC East BAA and 300 MWh delivered in the DEC BAA. The point of delivery must be within the BAA and not on the border of the BAA.
MWh of AEC Energy offered in each winter hour	225 MWh delivered in the DEC BAA. The point of delivery must be within the BAA and not on the border of the BAA.
Limit on obligation to offer and deliver AEC Energy	The Applicants must offer available generation not used to serve retail and wholesale native load or existing (as of the date the merger closes) firm obligations, including operating reserves. The Applicants must deliver the amount of energy purchased during the offer process (described below), subject to interruption only if necessary for the Applicants to comply with their reliability obligations.
Eligible purchasers	Entities ultimately serving load located in the PEC East and DEC BAAs. The energy purchased must sink in the PEC East and/or DEC BAA, as applicable, and may not be used to replace resources that are sold outside of the applicable BAA.
Sales price for AEC Energy	The forecasted average incremental cost (after serving retail and wholesale native load and existing (as of the date the merger closes) firm obligations) of the Applicants plus 10%. The price will be established on a day ahead basis based on the amount and hours of energy actually purchased during the offer process (described below).
Offer process	AEC Energy will be offered on a day ahead basis. To the

extent that more energy is accepted for purchase than AEC Energy is offered, the AEC Energy will be allocated among purchasers on a pro rata basis. The Applicants would be obligated to commit generation units on the next day if necessary to satisfy requests for AEC Energy, with the associated start-up costs included in the incremental costs to be recovered.

Monitoring of Compliance

The Applicants will provide all sales, availability, pricing, and other necessary data for the previous day to an independent monitoring entity, which will review that data and inform FERC to the extent that it believes that the Applicants have not complied with the requirements of this proposal.

Term of Offer

8 years from the consummation of the merger.

Transmission expansion

The Applicants may file at FERC to reduce their must offer obligation into a BAA in the event that there are transmission expansions into that BAA in excess of currently planned projects. FERC will review any such filing and approve the reduction in the Applicants' must offer obligation equal to the increase in import capability resulting from the transmission expansion.

CERTIFICATE OF SERVICE

I hereby certify the foregoing Compliance Filing was served this 17th day of October, 2011, on the official service list maintained by the Secretary in this proceeding.

/s/Matthew W.S. Estes
Skadden, Arps, Slate, Meagher
and Flom, LLP
1440 New York Ave, N.W.
Washington, DC 2000

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Duke Energy Corporation)	Docket No. EC11-60-000
)	
Progress Energy, Inc.)	

Affidavit of William H. Hieronymus

1. My name is William H. Hieronymus. My business address is Charles River Associates, Inc., 200 Clarendon St, T-32, Boston, MA 02116. I sponsored Applicants' market power analysis in their initial filing. My resume is Exhibit J-2 of that filing. I also was responsible for the analysis provided in response to Question 2 of Staff's interrogatory, included in Applicants' August 29, 2011 Response. That analysis is what the Commission appears to have principally relied upon in determining that there are Available Economic Analysis screen failures that require mitigation.¹

¹ The August 29, 2011 Response analysis relied on EQR data for determining price levels for the 10 delivered price test periods, whereas the initial filing analysis relied on a variety of sources, not limited to EQR data. The August 29, 2011 analysis included two base cases and two parallel sets of sensitivities of plus- and minus-ten percent price excursions. The two sets of cases were based respectively on a pre-to-post transaction change that assumed that a sale requiring transmission between the Progress Carolinas' BAA and the Duke Energy BAA would continue to pay two transmission rates after the merger ("no depancaking") and the assumption that after the transaction, such a sale would pay only a single transmission charge ("depancaking"). My testimony urged that the Commission rely on the no depancaking case on the grounds that, since depancaking made markets more rather than less competitive, any screen failure that arose from depancaking could not signal a lessening of competition and therefore should not require mitigation. The Commission's Order notes, but makes no determination concerning this argument. However, Table 1 of the Commission's Order, summarizing its findings concerning screen failures, is drawn solely from the depancaking case. Had the Commission relied on the no depancaking case, there would have been fewer screen failures and the amount of mitigation required to resolve them would have been somewhat less. Mitigation has been designed to cure all screen failures in the depancaking case and it therefore would also cure the failures in the no depancaking case.

2. In its September 30, 2011 Order, the Commission determined that there were screen failures shown in the EQR-based analyses contained in Applicants' August 29, 2011 Response and conditioned its approval of the Transaction on Applicants submitting, and the Commission approving, mitigation that cured all of the screen failures that the Commission identified from that analysis. The purpose of this affidavit is to 1) summarize the proposed mitigation, 2) demonstrate numerically that the amount of mitigation is sufficient to cure the identified screen failures, and 3) explain why the Commission should find that the mitigation is of a type that the Commission should accept as appropriate.

3. Applicants interpret the Commission's merger condition to require that all of the screen failures shown in bold font in Table 1 of the September 30, 2011 Order must be mitigated.² Applicants also interpret that curing the screen failures requires reducing the merger-related HHI change in time periods exhibiting a post-merger (but pre-mitigation) HHI of 1,800 or more to no more than 50 points and the merger-related HHI change if the post-merger HHI is shown to be more than 1,000 but less than 1,800 to no more than 100 points.³

4. Table 1 of the Order identifies screen failures occurring in up to three summer periods and two winter periods in the Duke Energy BAA and up to three summer periods and no winter periods in the Progress Carolinas-East BAA. For both

² Since Table 1 of the Order included the two price sensitivities, in addition to the base case, Applicants have interpreted the Order as requiring mitigation of screen failures that occur in the price sensitivities but do not occur, or that would have required less mitigation, in the base case.

³ These "safe harbor" standards are based on the Commission's existing regulations and are in turn based on the 1992 DOJ/FTC *Merger Guidelines*. If the current Guidelines adopted by the DOJ/FTC in their 2010 *Merger Guidelines* were used, there would be fewer screen failures to be mitigated and the HHI change required to mitigate would be less in at least some instances.

Duke and Progress, the largest number of screen failures is in the 10 percent price increase sensitivity analysis. There are no screen failures in any of the three scenarios in the shoulder seasons (fall and spring) in either market and no screen failures in any season in the Progress-Carolinas-West BAA (or in any BAA other than the Duke Energy and Progress Carolinas-East BAAs).

The Proposed Mitigation

5. The Order noted that there were several options for mitigating the screen failures. As described in the Compliance Filing, Applicants have elected the virtual divestiture option. Applicants determined that physical divestiture, particularly of the baseload generation that would have to be divested to cure the off-peak screen failures that give rise to the largest mitigation requirements, would be inconsistent with their load-serving responsibilities and could harm wholesale and retail native load customers. Physical divestiture also would reduce needed baseload capacity in periods when no mitigation is required, and therefore could be inconsistent with the best interests of the Applicants' wholesale requirements and retail customers.

6. The form of the virtual divestiture Applicants are proposing is a must offer obligation. The quantity of the offer is, for each market and each season, the amount necessary to mitigate the screen failures, increased up to the next multiple of 25 MW. The product that they will offer is called "AEC Energy." Since the amount of mitigation is not tailored to time periods (*e.g.*, super-peak, peak or off-peak), the mitigation amount results in excess mitigation in most time periods. Since it is designed to cure the screen

failures primarily in the 10 percent price increase case, it over-mitigates most time periods in the base case and all time periods in the 10 percent price reduction case.

7. The must offer mitigation requires Applicants to make day-ahead offers of the AEC Energy. The amount offered is fixed; the least expensive available energy will be offered up to the cap amount. The offer amount will be reduced only if Applicants have insufficient capacity to meet the mitigation amount, regardless of the incremental cost of the units, after serving retail and wholesale native load or existing (as of the date the merger closes) firm obligations, including operating reserves. Applicants will, if the demand for mitigation energy warrants, start units that otherwise would not have been on line and available.

8. The amount of AEC Energy offered in the Duke Energy BAA is 300 MW in the summer and 225 MW in the winter.⁴ In the Progress Carolinas-East BAA, the mitigation amount is 500 MW of AEC Energy in the summer. Any portion of the offered AEC Energy that is not taken by eligible purchasers in response to the day-ahead offer can be sold by Applicants either within or outside the BAAs if a market for such sales should arise. To the extent that the AEC Energy is purchased, Applicants must deliver the amount of energy purchased, subject to interruption only if necessary for the Applicants to comply with their reliability obligations.

9. The pricing of AEC Energy is based on incremental costs calculated from Applicants' supply capabilities, after serving retail and wholesale native load and

⁴ For purposes of the mitigation, consistent with my analysis, the summer season consists of June, July and August, and the winter season consists of December, January and February.

existing (as of the date the merger closes) firm obligations, plus 10 percent. This pricing is consistent with Applicants' tariff rates for short term cost-based sales within their BAAs. The price will be established on a day-ahead basis based on the amount and hours of energy actually purchased during the offer process. Eligible purchasers are entities that directly or indirectly serve load in the BAA that is the subject of mitigation (*i.e.*, the Duke Energy and Progress Carolinas-East BAA as applicable). The buyer must schedule the energy to sink in the Duke Energy or Progress Carolinas-East BAA as applicable.

10. Applicants propose that their execution of the virtual divestiture will be overseen by an independent monitor. The monitor will verify Applicants' calculations of the quantity and pricing of the AEC Energy and will also verify that the daily sales are conducted appropriately. The monitor will be empowered and obligated to report any failure to conduct the mitigation sales appropriately to the Commission.

11. The term of the proposed mitigation is 8 years. As discussed more fully below, this term is more than necessary to exhaust any existing Available Economic Capacity that Applicants possess and that can contribute to an adverse effect on competition. It also is a substantially longer period than is necessary for competitors to enter the market and/or for load serving entities within the BAAs to develop their own new capacity.

Numeric Demonstration of Mitigation

12. Tables 1 and 2 demonstrate, and Exhibits WHH-1 and WHH-2 respectively provide more detail on, the sufficiency of the mitigation amounts for the

Duke Energy and Progress Carolinas-East markets, respectively.

Table 1 (Duke Energy Carolinas BAA)

	Base Case				Price increase 10%			Price decrease 10%		
	Divested MW	Pre- Merger	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
		HHI	HHI	Chg.		HHI	Chg.		HHI	HHI
S_SP1	300	1126	820	(306)	1131	825	(306)	786	788	2
S_SP2	300	2277	1944	(333)	2332	2145	(187)	1488	1077	(411)
S_P	300	1815	1255	(560)	2722	2338	(384)	1820	1266	(554)
S_OP	300	3434	3427	(7)	3475	3511	36	2027	1870	(157)
W_SP	225	405	377	(28)	554	389	(165)	400	385	(15)
W_P	225	1091	884	(207)	1090	916	(174)	516	407	(109)
W_OP	225	1963	1925	(38)	2014	2055	41	1530	1446	(84)
SH_SP	0	1472	1475	3	1779	1779	-	393	404	11
SH_P	0	460	494	35	464	447	(17)	432	348	(85)
SH_OP	0	371	402	31	642	791	149	405	387	(18)

13. In the Duke Energy BAA, the 300 MW summer mitigation results in a decrease (relative to pre-merger levels) in HHIs in the base case in all time periods in the season.⁵ After mitigation, the change in HHIs arising from the transaction is negative (*i.e.*, concentration is reduced in every time period).⁶

14. The same base case result, decreased HHI levels in all time periods, is true for the winter period. Mitigation has no effect on the shoulder season since mitigation is not required in this season. The depancaking that was treated as merger-

⁵ In periods, such as the highest summer super-peak in the 10 price decrease sensitivity, when Duke Energy's AEC is less than the mitigation amount, the amount of AEC Energy that is deemed to have been purchased is assumed to be limited to the amount that is economic at the prices used in the analysis. Hence while the offered mitigation amount is 300 MW, the reduction in Applicants' AEC arising from mitigation is not allowed in this demonstration to exceed the number of MW that was attributable to Duke Energy (46 MW in this example).

⁶ The AEC Energy is assumed to be sold in equal amounts to two entities that do not currently control any capacity. No plausible alternative assumption would materially change the analysis.

related in the Order slightly concentrates the market in some of the cases, which, however, remains quite unconcentrated.

15. In the 10 percent price decrease sensitivity, the transaction, post-mitigation, is deconcentrating in most time periods. As is true for the base case, many of the reductions in HHIs are substantial. There is a slight increase in concentration in the highest summer peak hour as a result of the depancaking increasing concentration slightly, notwithstanding the sale of AEC Energy. There was no post-Transaction screen failure for this hour before mitigation and the market in this hour remains unconcentrated.

16. Because the 10 percent up price sensitivity generally causes Applicants' share of AEC to be larger than in either the base case or 10 percent down sensitivity, it is the binding sensitivity used in setting the mitigation amount in all but one instance. In the Duke Energy BAA 10 percent up case, the transaction as mitigated is quite deconcentrating in all of the summer peak and super-peak periods. In the off-peak period that determined the summer mitigation requirement, the increase in HHI arising from the transaction as mitigated is 36 points, below the 50 point limit. Likewise, in the winter, the transaction as mitigated is deconcentrating in all but the off-peak period that sets the mitigation requirement. In that period, the mitigated HHI increase is 41 points, again below the screen limit.

Table 2 (Progress Energy Carolinas East BAA)

	Base Case				Price increase 10%			Price decrease 10%		
	Divested MW	Pre- Merger	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
		HHI	HHI	HHI		Chg.	HHI		Chg.	HHI
S_SP1	500	524	468	(56)	465	427	(38)	567	516	(51)
S_SP2	500	590	459	(131)	699	549	(150)	485	429	(56)
S_P	500	368	354	(14)	729	814	85	339	334	(5)
S_OP	500	1301	1361	60	1379	1380	1	1198	816	(382)
W_SP	0	466	393	(73)	394	409	15	524	445	(79)
W_P	0	336	431	96	353	452	100	474	425	(49)
W_OP	0	568	992	424	598	988	391	495	655	160
SH_SP	0	413	430	17	443	421	(22)	375	410	36
SH_P	0	447	498	51	460	451	(9)	423	405	(18)
SH_OP	0	381	412	32	822	932	110	375	366	(10)

17. As shown in Table 2, the results for Progress Carolinas-East are similar. The transaction as mitigated is deconcentrating in all of the three base case summer peak periods. In the off-peak period, the increase in HHI is 60 points. Since this is a moderately concentrated period, with an HHI delta limit of 100 points, this comfortably passes the screen criteria. Since there were no screen failures in the winter or shoulder periods, there is no mitigation and hence no effect of mitigation.

18. In the 10 percent price down case, the merger as mitigated is deconcentrating in all of the summer time periods. In the winter and shoulder seasons, when there is no mitigation required, the transaction generally is deconcentrating as a result of the effects of depancaking.

19. In the 10 percent price increase case, the merger as mitigated is deconcentrating in the summer super-peak period. In the summer peak period, the merger as mitigated still results in a HHI increase of 85 points. However, the substantial

amount of mitigation offered in this period significantly decreases Applicants' market share and causes the market to be unconcentrated, so the screen is passed.⁷ In the summer off-peak periods, the HHI increase is only 1 point in a moderately concentrated market. In other periods, there are no screen failures and the merger generally increases concentration due to the combined effects of merging Applicants pre-merger shares and depancaking.

Discussion of Mitigation Effectiveness

20. Since the foregoing demonstrates that the proposed virtual divestiture eliminates all of the screen failures arising from the Transaction, the sole remaining question is whether the mitigation is qualitatively of a form that appropriately mitigates the screen failures. The three potential issues relating to sufficiency are: 1) the nature of the AEC Energy product offered; 2) the pricing of the product; and 3) the term (in years) for which mitigation is offered.

21. Concerning the nature of the AEC Energy product, the important point to recall is that the purpose of mitigation is to ensure that Applicants are unable to withhold Available Economic Capacity within the BAA in order to increase wholesale prices. The proposed mitigation requires Applicants to offer Available Economic Capacity deliverable into the BAAs by amounts that either fully or very nearly eliminate the merger-related increase in their deliverable Available Economic Capacity. The

⁷ The peculiar result that the merger increases concentration in this period despite the level of mitigation is attributable to the effects of depancaking. Prior to the merger, Duke Energy's share of the Progress Carolinas-East market was 347 MW. Depancaking increased this by 274 MW to 621 MW. Hence, despite the 500 MW of mitigation, which substantially exceeds the amount of pre-merger Duke Energy AEC that is combined into Progress Energy Carolinas-East's 855 MW, the merger appears to increase concentration.

mitigation not only eliminates all of the screen failures, it almost completely eliminates the increases in market concentration and hence moots any concern that the Transaction increases the likelihood of oligopoly pricing. Indeed, as a result of marked reductions in market concentration in peak periods, the transaction as mitigated is, overall, deconcentrating.

23. It also is notable that potential purchasers of AEC Energy have access to power under conditions that are more favorable than if the Transaction had not occurred or if actual rather than virtual divestiture were used for mitigation. The benefits relative to the pre-transaction case arise from the fact that neither Applicant is obligated to sell available power to non-requirements wholesale customers. Most of their non-requirements wholesale sales are, in fact, made outside of the BAAs. Under the proposed mitigation, purchasers serving load in the BAAs, either directly or indirectly, have first call on the AEC Energy.⁸ Similarly, if the generation underlying the AEC Energy were divested rather than offered by Applicants, the buyer could and under current market conditions most likely would, sell the power outside the BAAs.

24. The pricing of the AEC Energy product, which sets the price based on incremental costs after native load and existing firm obligations are satisfied also is quite favorable to the buyers. The pricing is based on the costs of the least cost capacity available for sale in the BAAs after native and requirements loads and currently existing firm bilateral contracts are met. These are the least cost resources available to Applicants and are the lowest cost of the capacity that matche the product definition of

⁸ As noted above, there is a 10 percent adder to bare-bones incremental costs. This is consistent with the Commission's policy for short-term cost based sales and with Applicants' cost-based tariffs.

Available Economic Capacity established by the Commission. Currently, buyers in the BAAs are entitled to buy on a similar cost basis, but must compete with purchasers outside the BAAs to whom power could be sold at market rates.⁹

25. Lastly, the eight year mitigation period is sufficient to mitigate any merger-related harm to competition. First, it must be remembered that the product giving rise to mitigation is AEC. By its nature, AEC is ephemeral. Unlike Economic Capacity that lasts as long as the underlying generating plants, AEC disappears as a result of load growth.

26. More importantly, it is settled Commission policy that long term markets are competitive in the absence of barriers to entry. Eight years is a more than ample period for siting and building any of the types of power plants likely to be built by or for Applicants' wholesale customers under current power market conditions (*i.e.*, gas-fired power plants or renewable resources).

27. Based on the above, I conclude that the mitigation proposed by Applicants is of the type required, and in amounts more than sufficient, to eliminate the screen failures cited by the Commission in its Order.

28. This concludes my affidavit.

⁹ The proposed mitigation does not extinguish the current rights of buyers within the BAA to purchase according to the terms of the existing cost-based tariff. That is, after satisfying any purchases of AEC Energy, Applicants may, but need not offer additional power for sale and any sales made within Applicants' BAAs will continue to be made on a cost basis, consistent with tariff requirements.

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

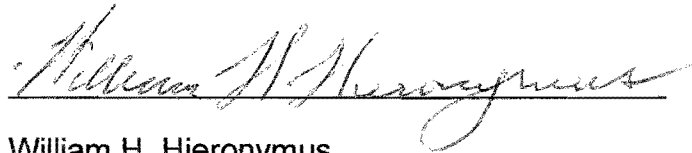
Duke Energy Corporation)
)
Progress Energy, Inc.)

Docket No. EC11-60-000

Verification of William H. Hieronymus

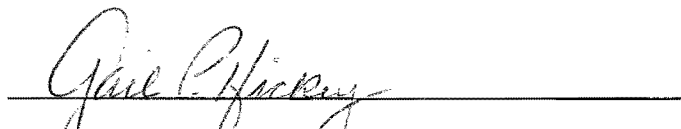
City of Boston, Suffolk County)
Commonwealth of Massachusetts)

I, William H. Hieronymus, being duly sworn, depose and state that the foregoing Affidavit and Exhibits of the undersigned is true, correct, accurate and complete to the best of my knowledge, information and belief.



William H. Hieronymus

Subscribed and sworn before me this 17th day of October, 2011



Notary Public

**Screen Results After Mitigation
(AEC with EQP Price with Rate Depancaking)**

20111017-5129 FERC PDF (Unofficial) 10/17/2011 3:52:51 PM

Duke Energy Carolinas BAA

Base Case

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	1126	26.3%	1126	-	300	18.9%	820	(306)
S_SP2	2277	46.5%	2349	72	300	41.8%	1944	(333)
S_P	1815	41.0%	1813	(2)	300	33.0%	1255	(560)
S_OP	3434	62.4%	3963	529	300	57.8%	3427	(7)
W_SP	405	1.4%	378	(27)	38	0.0%	377	(28)
W_P	1091	31.3%	1168	76	225	26.1%	884	(207)
W_OP	1963	46.3%	2262	299	225	42.4%	1925	(38)
SH_SP	1472	36.4%	1475	3	0	36.4%	1475	3
SH_P	460	0.6%	494	35	0	0.6%	494	35
SH_OP	371	0.9%	402	31	0	0.9%	402	31

Price increase 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	1131	26.7%	1137	5	300	19.3%	825	(306)
S_SP2	2332	48.8%	2567	235	300	44.1%	2145	(187)
S_P	2722	52.4%	2866	144	300	46.9%	2338	(384)
S_OP	3475	63.1%	4047	572	300	58.6%	3511	36
W_SP	554	17.5%	560	6	225	10.5%	389	(165)
W_P	1090	32.0%	1202	112	225	27.0%	916	(174)
W_OP	2014	47.7%	2394	380	225	43.9%	2055	41
SH_SP	1779	38.4%	1779	-	0	38.4%	1779	-
SH_P	464	3.4%	446	(17)	0	3.4%	447	(17)
SH_OP	642	21.0%	791	149	0	21.0%	791	149

Price decrease 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	786	1.6%	789	3	48	0.0%	788	2
S_SP2	1488	32.6%	1489	1	300	25.0%	1077	(411)
S_P	1820	41.1%	1826	6	300	33.1%	1266	(554)
S_OP	2027	47.8%	2427	400	300	41.3%	1870	(157)
W_SP	400	0.0%	385	(15)	0	0.0%	385	(15)
W_P	516	16.8%	555	39	225	10.7%	407	(109)
W_OP	1530	40.0%	1756	227	225	35.7%	1446	(84)
SH_SP	393	0.0%	404	11	0	0.0%	404	11
SH_P	432	0.9%	348	(85)	0	0.9%	348	(85)
SH_OP	405	0.1%	387	(18)	0	0.1%	387	(18)

Note: Divested MWs are minimum of must-offer provision or AEC.

**Screen Results After Mitigation
(AEC with EQP Price with Rate Depancaking)**

20111017-5129 FERC PDF (Unofficial) 10/17/2011 3:52:51 PM

Progress Energy Carolinas East BAA

Base Case

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	524	4.0%	476	(48)	93	0.0%	468	(56)
S_SP2	590	25.6%	897	307	500	13.5%	459	(131)
S_P	368	8.7%	392	24	274	28.2%	354	(14)
S_OP	1301	45.4%	2194	894	500	6.6%	1361	60
W_SP	466	2.0%	393	(73)	0	2.0%	393	(73)
W_P	336	13.5%	431	96	0	13.5%	431	96
W_OP	568	28.2%	992	424	0	28.2%	992	424
SH_SP	413	6.6%	430	17	0	6.6%	430	17
SH_P	447	0.8%	498	51	0	0.8%	498	51
SH_OP	381	4.2%	412	32	0	4.2%	412	32

Price increase 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	465	5.4%	441	(24)	126	0.0%	427	(38)
S_SP2	699	31.1%	1170	471	500	14.4%	549	(150)
S_P	729	35.3%	1445	715	500	23.4%	814	85
S_OP	1379	45.5%	2205	826	500	34.5%	1380	1
W_SP	394	1.7%	409	15	0	1.7%	409	15
W_P	353	14.0%	452	100	0	14.0%	452	100
W_OP	598	27.8%	988	391	0	27.8%	988	391
SH_SP	443	8.9%	421	(22)	0	8.9%	421	(22)
SH_P	460	10.3%	451	(9)	0	10.3%	451	(9)
SH_OP	822	26.6%	932	110	0	26.6%	932	110

Price decrease 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	567	1.5%	517	(50)	36	0.0%	516	(51)
S_SP2	485	4.6%	440	(45)	152	0.0%	429	(56)
S_P	339	8.1%	367	28	255	0.0%	334	(5)
S_OP	1198	35.4%	1423	224	500	24.1%	816	(382)
W_SP	524	0.0%	445	(79)	0	0.0%	445	(79)
W_P	474	5.1%	425	(49)	0	5.1%	425	(49)
W_OP	495	20.1%	655	160	0	20.1%	655	160
SH_SP	375	0.0%	410	36	0	0.0%	410	36
SH_P	423	1.0%	405	(18)	0	1.0%	405	(18)
SH_OP	375	0.5%	366	(10)	0	0.5%	366	(10)

Note: Divested MWs is minimum of must-offer provision or AEC.

Screen Results After Mitigation
(AEC with EOR Price with Rate Depancaking)

Duke Energy Carolinas BAA

	Base Case								
	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation			HHI Chg.
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.	
S_SP1	1126	26.3%	1126	-	300	18.9%	820	(306)	
S_SP2	2277	46.5%	2349	72	300	41.8%	1944	(333)	
S_P	1815	41.0%	1813	(2)	300	33.0%	1255	(560)	
S_OP	3434	62.4%	3963	529	300	57.8%	3427	(7)	
W_SP	405	1.4%	378	(27)	38	0.0%	377	(28)	
W_P	1091	31.3%	1168	76	225	26.1%	884	(207)	
W_OP	1963	46.3%	2262	299	225	42.4%	1925	(38)	
SH_SP	1472	36.4%	1475	3	0	36.4%	1475	3	
SH_P	460	0.6%	494	35	0	0.6%	494	35	
SH_OP	371	0.9%	402	31	0	0.9%	402	31	

	Price increase 10%								
	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation			HHI Chg.
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.	
S_SP1	1131	26.7%	1137	5	300	19.3%	825	(306)	
S_SP2	2332	48.8%	2567	235	300	44.1%	2145	(187)	
S_P	2722	52.4%	2866	144	300	46.9%	2338	(384)	
S_OP	3475	63.1%	4047	572	300	58.6%	3511	36	
W_SP	554	17.5%	560	6	225	10.5%	389	(165)	
W_P	1090	32.0%	1202	112	225	27.0%	916	(174)	
W_OP	2014	47.7%	2394	380	225	43.9%	2055	41	
SH_SP	1779	38.4%	1779	-	0	38.4%	1779	-	
SH_P	464	3.4%	446	(17)	0	3.4%	447	(17)	
SH_OP	642	21.0%	791	149	0	21.0%	791	149	

	Price decrease 10%								
	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation			HHI Chg.
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.	
S_SP1	786	1.6%	789	3	48	0.0%	788	2	
S_SP2	1488	32.6%	1489	1	300	25.0%	1077	(411)	
S_P	1820	41.1%	1826	6	300	33.1%	1266	(554)	
S_OP	2027	47.8%	2427	400	300	41.3%	1870	(157)	
W_SP	400	0.0%	385	(15)	0	0.0%	385	(15)	
W_P	516	16.8%	555	39	225	10.7%	407	(109)	
W_OP	1530	40.0%	1756	227	225	35.7%	1446	(84)	
SH_SP	393	0.0%	404	11	0	0.0%	404	11	
SH_P	432	0.9%	348	(85)	0	0.9%	348	(85)	
SH_OP	405	0.1%	387	(18)	0	0.1%	387	(18)	

Note: Divested MWs are minimum of must-offer provision or AEC.

Screen Results After Mitigation
(AEC with EQR Price with Rate Depancaking)

Progress Energy Carolinas East BAA

Base Case

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	524	4.0%	476	(48)	93	0.0%	468	(56)
S_SP2	590	25.6%	897	307	500	13.5%	459	(131)
S_P	368	8.7%	392	24	274	28.2%	354	(14)
S_OP	1301	45.4%	2194	894	500	6.6%	1361	60
W_SP	466	2.0%	393	(73)	0	2.0%	393	(73)
W_P	336	13.5%	431	96	0	13.5%	431	96
W_OP	568	28.2%	992	424	0	28.2%	992	424
SH_SP	413	6.6%	430	17	0	6.6%	430	17
SH_P	447	0.8%	498	51	0	0.8%	498	51
SH_OP	381	4.2%	412	32	0	4.2%	412	32

Price increase 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	465	5.4%	441	(24)	126	0.0%	427	(38)
S_SP2	699	31.1%	1170	471	500	14.4%	549	(150)
S_P	729	35.3%	1445	715	500	23.4%	814	85
S_OP	1379	45.5%	2205	826	500	34.5%	1380	1
W_SP	394	1.7%	409	15	0	1.7%	409	15
W_P	353	14.0%	452	100	0	14.0%	452	100
W_OP	598	27.8%	988	391	0	27.8%	988	391
SH_SP	443	8.9%	421	(22)	0	8.9%	421	(22)
SH_P	460	10.3%	451	(9)	0	10.3%	451	(9)
SH_OP	822	26.6%	932	110	0	26.6%	932	110

Price decrease 10%

	Pre-Merger HHI	Post-Merger			Divested MW	Post-Mitigation		
		Market Share	HHI	HHI Chg.		Market Share	HHI	HHI Chg.
S_SP1	567	1.5%	517	(50)	36	0.0%	516	(51)
S_SP2	485	4.6%	440	(45)	152	0.0%	429	(56)
S_P	339	8.1%	367	28	255	0.0%	334	(5)
S_OP	1198	35.4%	1423	224	500	24.1%	816	(382)
W_SP	524	0.0%	445	(79)	0	0.0%	445	(79)
W_P	474	5.1%	425	(49)	0	5.1%	425	(49)
W_OP	495	20.1%	655	160	0	20.1%	655	160
SH_SP	375	0.0%	410	36	0	0.0%	410	36
SH_P	423	1.0%	405	(18)	0	1.0%	405	(18)
SH_OP	375	0.5%	366	(10)	0	0.5%	366	(10)

Note: Divested MWs is minimum of must-offer provision or AEC.

Table for Text

Screen Results After Mitigation
(AEC with EQR Price with Rate Depancaking)

Table 1 (Duke Energy Carolinas BAA)

	Divested MW	Base Case			Price increase 10%			Price decrease 10%		
		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
			HHI	HHI Chg.		HHI	HHI Chg.		HHI	HHI Chg.
S_SP1	300	1126	820	(306)	1131	825	(306)	786	788	2
S_SP2	300	2277	1944	(333)	2332	2145	(187)	1488	1077	(411)
S_P	300	1815	1255	(560)	2722	2338	(384)	1820	1266	(554)
S_OP	300	3434	3427	(7)	3475	3511	36	2027	1870	(157)
W_SP	225	405	377	(28)	554	389	(165)	400	385	(15)
W_P	225	1091	884	(207)	1090	916	(174)	516	407	(109)
W_OP	225	1963	1925	(38)	2014	2055	41	1530	1446	(84)
SH_SP	0	1472	1475	3	1779	1779	-	393	404	11
SH_P	0	460	494	35	464	447	(17)	432	348	(85)
SH_OP	0	371	402	31	642	791	149	405	387	(18)

Table 2 (Progress Energy Carolinas East BAA)

	Divested MW	Base Case			Price increase 10%			Price decrease 10%		
		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation		Pre- Merger HHI	Post-Mitigation	
			HHI	HHI Chg.		HHI	HHI Chg.		HHI	HHI Chg.
S_SP1	500	524	468	(56)	465	427	(38)	567	516	(51)
S_SP2	500	590	459	(131)	699	549	(150)	485	429	(56)
S_P	500	368	354	(14)	729	814	85	339	334	(5)
S_OP	500	1301	1361	60	1379	1380	1	1198	816	(382)
W_SP	0	466	393	(73)	394	409	15	524	445	(79)
W_P	0	336	431	96	353	452	100	474	425	(49)
W_OP	0	568	992	424	598	988	391	495	655	160
SH_SP	0	413	430	17	443	421	(22)	375	410	36
SH_P	0	447	498	51	460	451	(9)	423	405	(18)
SH_OP	0	381	412	32	822	932	110	375	366	(10)

SummaryAvailable Economic Capacity - Summary of Required Mitigation
Carolinas Markets

Market	Period	Two Buyers		Proposal	
		DUK BAA	CPLE BAA	DUK BAA	CPLE BAA
DUK	S_SP1	-		300	-
DUK	S_SP2	130		300	-
DUK	S_P	50		300	-
DUK	S_OP	295		300	
DUK	W_SP	-		225	-
DUK	W_P	10		225	-
DUK	W_OP	220		225	-
DUK	SH_SP	-		-	-
DUK	SH_P	-		-	-
DUK	SH_OP	-		-	-
CPLE	S_SP1		-		500
CPLE	S_SP2		90	-	500
CPLE	S_P		325	-	500
CPLE	S_OP		470	-	500
CPLE	W_SP		-	-	-
CPLE	W_P		-	-	-
CPLE	W_OP		-	-	-
CPLE	SH_SP		-	-	-
CPLE	SH_P		-	-	-
CPLE	SH_OP		-	-	-

AEC - Base Prices

Available Economic Capacity

Carolinas Markets

													Number of Counterparties		2				
													Post-Mitigation						
													Duke Market Share		Mitigated Cap HHI		Mitigated Amount (MW)		
Market	Period	Price	Pre-Merger				Post-Merger				Duke Market Share	Duke HHI Contribution	Mitigated Cap HHI Contribution	HHI	HHI Chg	Mitigated Amount (MW)			
			DUKE		PROGRESS		DUKE ENERGY		Market								Market		
			MW	Mkt Share	MW	Mkt Share	Market Size	HHI	MW	Mkt Share	Market Size	HHI	HHI Chg						
DUK	S_SP1	\$ 63	1,069	26.3%	-	0.0%	4,072	1,126	1,070	26.3%	4,072	1,126	-	26%	690	-	1,125	(1)	-
DUK	S_SP2	\$ 61	2,908	45.7%	6	0.1%	6,364	2,277	2,959	46.5%	6,364	2,349	72	46%	2,133	0	2,320	43	20
DUK	S_P	\$ 48	1,542	41.0%	-	0.0%	3,762	1,815	1,541	41.0%	3,762	1,813	(2)	41%	1,678	-	1,813	(2)	-
DUK	S_OP	\$ 41	3,809	57.8%	301	4.6%	6,588	3,434	4,110	62.4%	6,588	3,963	529	58%	3,397	8	3,478	44	270
DUK	W_SP	\$ 44	12	0.5%	-	0.0%	2,626	405	38	1.4%	2,671	378	(27)	1%	2	-	378	(27)	-
DUK	W_P	\$ 43	1,304	30.0%	54	1.2%	4,348	1,091	1,360	31.3%	4,347	1,168	76	31%	979	-	1,168	77	-
DUK	W_OP	\$ 44	2,481	42.8%	207	3.6%	5,801	1,963	2,685	46.3%	5,801	2,262	299	43%	1,887	4	2,010	47	165
DUK	SH_SP	\$ 50	1,130	36.4%	-	0.0%	3,108	1,472	1,130	36.4%	3,108	1,475	3	36%	1,322	-	1,476	4	-
DUK	SH_P	\$ 34	3	0.1%	-	0.0%	2,169	460	14	0.6%	2,228	494	35	1%	0	-	494	34	-
DUK	SH_OP	\$ 32	24	1.0%	-	0.0%	2,330	371	21	0.9%	2,337	402	31	1%	1	-	402	31	-
CPL	S_SP1	\$ 63	35	1.5%	2	0.1%	2,343	524	93	4.0%	2,343	476	(48)	4%	16	-	476	(48)	-
CPL	S_SP2	\$ 61	177	6.1%	483	16.8%	2,882	590	738	25.6%	2,882	897	307	26%	656	-	896	306	-
CPL	S_P	\$ 48	268	8.6%	-	0.0%	3,136	368	274	8.7%	3,136	392	24	9%	76	-	392	24	-
CPL	S_OP	\$ 41	543	12.3%	1,410	31.8%	4,429	1,301	2,010	45.4%	4,429	2,194	894	35%	1,209	56	1,400	99	470
CPL	W_SP	\$ 44	71	1.5%	-	0.0%	4,866	466	102	2.0%	5,226	393	(73)	2%	4	-	393	(73)	-
CPL	W_P	\$ 43	151	2.9%	246	4.7%	5,272	336	713	13.5%	5,272	431	96	14%	183	-	431	95	-
CPL	W_OP	\$ 44	755	13.0%	844	14.5%	5,812	568	1,640	28.2%	5,812	992	424	28%	796	-	992	424	-
CPL	SH_SP	\$ 50	82	1.9%	-	0.0%	4,417	413	292	6.6%	4,417	430	17	7%	44	-	430	17	-
CPL	SH_P	\$ 34	35	0.8%	-	0.0%	4,202	447	33	0.8%	4,202	498	51	1%	1	-	498	51	-
CPL	SH_OP	\$ 32	57	1.2%	140	3.0%	4,624	381	195	4.2%	4,624	412	32	4%	18	-	412	31	-

Available Economic Capacity
Carolinas Markets

													Number of Counterparties		2				
													Post-Mitigation						
													Duke Market Share		Mitigated Cap HHI		Mitigated Amount (MW)		
													Duke Market Share	Duke HHI Contribution	Mitigated Cap HHI Contribution	HHI	HHI Chg	Mitigated Amount (MW)	
													Duke Market Share	Duke HHI Contribution	Mitigated Cap HHI Contribution	HHI	HHI Chg	Mitigated Amount (MW)	
DUKE	S_SP1	\$ 69	1,084	26.6%	-	0.0%	4,072	1,131	1,086	26.7%	4,072	1,137	5	27%	711	-	1,136	5	-
DUKE	S_SP2	\$ 67	2,973	46.2%	134	2.1%	6,435	2,332	3,140	48.8%	6,435	2,567	235	47%	2,188	2	2,377	45	130
DUKE	S_P	\$ 52	2,798	51.0%	-	0.0%	5,489	2,722	2,874	52.4%	5,489	2,866	144	51%	2,647	0	2,772	50	50
DUKE	S_OP	\$ 46	3,883	58.2%	318	4.8%	6,676	3,475	4,211	63.1%	6,676	4,047	572	59%	3,441	10	3,520	45	295
DUKE	W_SP	\$ 48	562	17.4%	-	0.0%	3,233	554	564	17.5%	3,233	560	6	17%	304	-	559	5	-
DUKE	W_P	\$ 47	1,346	30.3%	57	1.3%	4,442	1,090	1,423	32.0%	4,442	1,202	112	32%	1,012	0	1,188	98	10
DUKE	W_OP	\$ 48	2,574	43.3%	262	4.4%	5,946	2,014	2,835	47.7%	5,946	2,394	380	44%	1,934	7	2,062	48	220
DUKE	SH_SP	\$ 55	1,719	38.5%	-	0.0%	4,470	1,779	1,718	38.4%	4,470	1,779	-	38%	1,477	-	1,779	(0)	-
DUKE	SH_P	\$ 38	12	0.5%	-	0.0%	2,228	464	75	3.4%	2,228	446	(17)	3%	11	-	446	(18)	-
DUKE	SH_OP	\$ 36	473	16.1%	18	0.6%	2,936	642	616	21.0%	2,936	791	149	21%	440	-	791	149	-
CPL	S_SP1	\$ 69	112	4.8%	2	0.1%	2,343	465	126	5.4%	2,343	441	(24)	5%	29	-	441	(24)	-
CPL	S_SP2	\$ 67	291	9.7%	591	19.8%	2,991	699	931	31.1%	2,991	1,170	471	28%	791	5	997	298	90
CPL	S_P	\$ 52	347	8.3%	855	20.5%	4,176	729	1,476	35.3%	4,176	1,445	715	28%	760	30	986	257	325
CPL	S_OP	\$ 46	546	12.1%	1,499	33.2%	4,518	1,379	2,057	45.5%	4,518	2,205	826	36%	1,297	45	1,473	94	430
CPL	W_SP	\$ 48	87	1.7%	-	0.0%	5,226	394	86	1.7%	5,226	409	15	2%	3	-	409	15	-
CPL	W_P	\$ 47	420	7.8%	331	6.2%	5,356	353	748	14.0%	5,356	452	100	14%	195	-	452	99	-
CPL	W_OP	\$ 48	704	11.9%	928	15.7%	5,897	598	1,640	27.8%	5,897	988	391	28%	773	-	989	391	-
CPL	SH_SP	\$ 55	267	5.8%	123	2.7%	4,627	443	413	8.9%	4,627	421	(22)	9%	80	-	421	(22)	-
CPL	SH_P	\$ 38	29	0.6%	451	9.7%	4,653	460	479	10.3%	4,653	451	(9)	10%	106	-	451	(9)	-
CPL	SH_OP	\$ 36	61	1.0%	1,397	23.8%	5,881	822	1,563	26.6%	5,881	932	110	27%	706	-	932	110	-

AEC - Down 10%

Available Economic Capacity
Carolinas Markets

Number of Counterparties 2

Market	Period	Price	Pre-Merger						Post-Merger					Post-Mitigation					
			DUKE			PROGRESS			DUKE ENERGY					Duke Market Share	Duke HHI Contribution	Mitigated Cap HHI		Mitigated Amount (MW)	
			MW	Mkt Share	HHI	MW	Mkt Share	Market Size	HHI	MW	Mkt Share	Market Size	HHI			HHI Chg	HHI		HHI Chg
DUK	S_SP1	\$ 57	46	1.5%	-	0.0%	3,057	786	48	1.6%	3,057	789	3	2%	2	-	789	3	-
DUK	S_SP2	\$ 55	1,274	32.6%	-	0.0%	3,906	1,488	1,275	32.6%	3,906	1,489	1	33%	1,066	-	1,490	2	-
DUK	S_P	\$ 43	1,542	41.0%	-	0.0%	3,762	1,820	1,545	41.1%	3,762	1,826	6	41%	1,687	-	1,826	6	-
DUK	S_OP	\$ 37	1,997	43.2%	200	4.3%	4,622	2,027	2,207	47.8%	4,622	2,427	400	44%	1,914	8	2,069	42	185
DUK	W_SP	\$ 39	-	0.0%	-	0.0%	2,662	400	-	0.0%	2,671	385	(15)	0%	-	-	385	(15)	-
DUK	W_P	\$ 39	567	15.2%	-	0.0%	3,723	516	625	16.8%	3,723	555	39	17%	282	-	555	39	-
DUK	W_OP	\$ 39	1,968	36.9%	156	2.9%	5,340	1,530	2,134	40.0%	5,340	1,756	227	38%	1,465	1	1,626	96	90
DUK	SH_SP	\$ 45	-	0.0%	-	0.0%	1,941	393	-	0.0%	1,941	404	11	0%	-	-	404	11	-
DUK	SH_P	\$ 31	4	0.2%	-	0.0%	1,982	432	18	0.9%	2,069	348	(85)	1%	1	-	348	(84)	-
DUK	SH_OP	\$ 29	3	0.1%	-	0.0%	2,319	405	3	0.1%	2,337	387	(18)	0%	0	-	387	(18)	-
CPL	S_SP1	\$ 57	31	1.3%	-	0.0%	2,341	567	36	1.5%	2,341	517	(50)	2%	2	-	517	(50)	-
CPL	S_SP2	\$ 55	110	3.3%	32	1.0%	3,282	485	152	4.6%	3,282	440	(45)	5%	21	-	440	(45)	-
CPL	S_P	\$ 43	132	4.2%	-	0.0%	3,136	339	255	8.1%	3,136	367	28	8%	66	-	367	28	-
CPL	S_OP	\$ 37	152	3.4%	1,410	31.8%	4,429	1,198	1,566	35.4%	4,429	1,423	224	33%	1,118	2	1,293	95	85
CPL	W_SP	\$ 39	-	0.0%	-	0.0%	5,033	524	-	0.0%	5,226	445	(79)	0%	-	-	445	(79)	-
CPL	W_P	\$ 39	23	0.4%	246	4.7%	5,194	474	268	5.1%	5,272	425	(49)	5%	26	-	425	(49)	-
CPL	W_OP	\$ 39	131	2.3%	844	14.5%	5,812	495	1,166	20.1%	5,812	655	160	20%	402	-	655	160	-
CPL	SH_SP	\$ 45	1	0.0%	-	0.0%	4,417	375	1	0.0%	4,417	410	36	0%	0	-	410	35	-
CPL	SH_P	\$ 31	31	0.7%	-	0.0%	4,473	423	43	1.0%	4,473	405	(18)	1%	1	-	405	(18)	-
CPL	SH_OP	\$ 29	21	0.5%	-	0.0%	4,780	375	22	0.5%	4,780	366	(10)	0%	0	-	366	(9)	-

AEC - Base Prices (2)

Available Economic Capacity
Carolinas Markets

Number of Counterparties 2

Market	Period	Price	Pre-Merger						Post-Merger						Post-Mitigation					
			DUKE			PROGRESS			DUKE ENERGY			DUKE ENERGY			DUKE ENERGY			DUKE ENERGY		
			MW	Mkt Share	HHI	MW	Mkt Share	HHI	MW	Mkt Share	HHI	MW	Mkt Share	HHI	MW	Mkt Share	HHI	MW	Mkt Share	HHI
DUK	S_SP1	\$ 63	1,069	26.3%	-	0.0%	4,072	1,126	1,070	26.3%	4,072	1,126	-	19%	-	8	468	(56)	300	
DUK	S_SP2	\$ 61	2,908	45.7%	6	0.1%	6,364	2,277	2,959	46.5%	6,364	2,349	72	42%	1,746	11	1,944	(333)	300	
DUK	S_P	\$ 48	1,542	41.0%	-	0.0%	3,762	1,815	1,541	41.0%	3,762	1,813	(2)	33%	1,088	32	1,255	(560)	300	
DUK	S_OP	\$ 41	3,809	57.8%	301	4.6%	6,588	3,434	4,110	62.4%	6,588	3,963	529	58%	3,345	10	3,427	(7)	300	
DUK	W_SP	\$ 44	12	0.5%	-	0.0%	2,626	405	38	1.4%	2,671	378	(27)	0%	-	1	377	(28)	38	
DUK	W_P	\$ 43	1,304	30.0%	54	1.2%	4,348	1,091	1,360	31.3%	4,347	1,168	76	26%	682	13	884	(207)	225	
DUK	W_OP	\$ 44	2,481	42.8%	207	3.6%	5,801	1,963	2,685	46.3%	5,801	2,262	299	42%	1,798	8	1,925	(38)	225	
DUK	SH_SP	\$ 50	1,130	36.4%	-	0.0%	3,108	1,472	1,130	36.4%	3,108	1,475	3	36%	1,322	-	1,476	4	-	
DUK	SH_P	\$ 34	3	0.1%	-	0.0%	2,169	460	14	0.6%	2,228	494	35	1%	0	-	494	34	-	
DUK	SH_OP	\$ 32	24	1.0%	-	0.0%	2,330	371	21	0.9%	2,337	402	31	1%	1	-	402	31	-	
CPL	S_SP1	\$ 63	35	1.5%	2	0.1%	2,343	524	93	4.0%	2,343	476	(48)	0%	-	8	468	(56)	93	
CPL	S_SP2	\$ 61	177	6.1%	483	16.8%	2,882	590	738	25.6%	2,882	897	307	8%	68	150	459	(131)	500	
CPL	S_P	\$ 48	268	8.6%	-	0.0%	3,136	368	274	8.7%	3,136	392	24	0%	-	38	354	(14)	274	
CPL	S_OP	\$ 41	543	12.3%	1,410	31.8%	4,429	1,301	2,010	45.4%	4,429	2,194	894	34%	1,162	64	1,361	60	500	
CPL	W_SP	\$ 44	71	1.5%	-	0.0%	4,866	466	102	2.0%	5,226	393	(73)	2%	4	-	393	(73)	-	
CPL	W_P	\$ 43	151	2.9%	246	4.7%	5,272	336	713	13.5%	5,272	431	96	14%	183	-	431	95	-	
CPL	W_OP	\$ 44	755	13.0%	844	14.5%	5,812	568	1,640	28.2%	5,812	992	424	28%	796	-	992	424	-	
CPL	SH_SP	\$ 50	82	1.9%	-	0.0%	4,417	413	292	6.6%	4,417	430	17	7%	44	-	430	17	-	
CPL	SH_P	\$ 34	35	0.8%	-	0.0%	4,202	447	33	0.8%	4,202	498	51	1%	1	-	498	51	-	
CPL	SH_OP	\$ 32	57	1.2%	140	3.0%	4,624	381	195	4.2%	4,624	412	32	4%	18	-	412	31	-	

Available Economic Capacity
Carolinas Markets

													Number of Counterparties		2				
													Post-Mitigation						
													Mitigated Cap					Mitigated Amount (MW)	
													Duke Market Share	Duke HHI Contribution	HHI Contribution	HHI	HHI Chg		
Market	Period	Price	Pre-Merger				Post-Merger												
			DUKE		PROGRESS		DUKE ENERGY												
			MW	Mkt Share	MW	Mkt Share	Market Size	HHI	MW	Mkt Share	Market Size	HHI	HHI Chg						
DUK	S_SP1	\$ 69	1,084	26.6%	-	0.0%	4,072	1,131	1,086	26.7%	4,072	1,137	5	19%	373	27	825	(306)	300
DUK	S_SP2	\$ 67	2,973	46.2%	134	2.1%	6,435	2,332	3,140	48.8%	6,435	2,567	235	44%	1,948	11	2,145	(187)	300
DUK	S_P	\$ 52	2,798	51.0%	-	0.0%	5,489	2,722	2,874	52.4%	5,489	2,866	144	47%	2,199	15	2,338	(384)	300
DUK	S_OP	\$ 46	3,883	58.2%	318	4.8%	6,676	3,475	4,211	63.1%	6,676	4,047	572	59%	3,432	10	3,511	36	300
DUK	W_SP	\$ 48	562	17.4%	-	0.0%	3,233	554	564	17.5%	3,233	560	6	10%	110	24	389	(165)	225
DUK	W_P	\$ 47	1,346	30.3%	57	1.3%	4,442	1,090	1,423	32.0%	4,442	1,202	112	27%	727	13	916	(174)	225
DUK	W_OP	\$ 48	2,574	43.3%	262	4.4%	5,946	2,014	2,835	47.7%	5,946	2,394	380	44%	1,927	7	2,055	41	225
DUK	SH_SP	\$ 55	1,719	38.5%	-	0.0%	4,470	1,779	1,718	38.4%	4,470	1,779	-	38%	1,477	-	1,779	(0)	-
DUK	SH_P	\$ 38	12	0.5%	-	0.0%	2,228	464	75	3.4%	2,228	446	(17)	3%	11	-	446	(18)	-
DUK	SH_OP	\$ 36	473	16.1%	18	0.6%	2,936	642	616	21.0%	2,936	791	149	21%	440	-	791	149	-
CPL	S_SP1	\$ 69	112	4.8%	2	0.1%	2,343	465	126	5.4%	2,343	441	(24)	0%	-	14	427	(38)	126
CPL	S_SP2	\$ 67	291	9.7%	591	19.8%	2,991	699	931	31.1%	2,991	1,170	471	14%	208	140	549	(150)	500
CPL	S_P	\$ 52	347	8.3%	855	20.5%	4,176	729	1,476	35.3%	4,176	1,445	715	23%	546	72	814	85	500
CPL	S_OP	\$ 46	546	12.1%	1,499	33.2%	4,518	1,379	2,057	45.5%	4,518	2,205	826	34%	1,188	61	1,380	1	500
CPL	W_SP	\$ 48	87	1.7%	-	0.0%	5,226	394	86	1.7%	5,226	409	15	2%	3	-	409	15	-
CPL	W_P	\$ 47	420	7.8%	331	6.2%	5,356	353	748	14.0%	5,356	452	100	14%	195	-	452	99	-
CPL	W_OP	\$ 48	704	11.9%	928	15.7%	5,897	598	1,640	27.8%	5,897	988	391	28%	773	-	989	391	-
CPL	SH_SP	\$ 55	267	5.8%	123	2.7%	4,627	443	413	8.9%	4,627	421	(22)	9%	80	-	421	(22)	-
CPL	SH_P	\$ 38	29	0.6%	451	9.7%	4,653	460	479	10.3%	4,653	451	(9)	10%	106	-	451	(9)	-
CPL	SH_OP	\$ 36	61	1.0%	1,397	23.8%	5,881	822	1,563	26.6%	5,881	932	110	27%	706	-	932	110	-

AEC - Down 10% (2)

Available Economic Capacity
Carolinan Markets

Number of Counterparties 2

Pre-Merger										Post-Merger				Post-Mitigation						
DUKE										DUKE ENERGY				Duke Market		Mitigated Cap HHI		Mitigated Amount		
Market	Period	Price	MW	Mkt Share	MW	Mkt Share	Market Size	HHI	HHI Chg	MW	Mkt Share	Market Size	HHI	HHI Chg	Share	Contribution	Contribution	HHI	HHI Chg	(MW)
DUK	S_SP1	\$ 57	46	1.5%	-	0.0%	3,057	786	-3	48	1.6%	3,057	789	(3)	0%	-	1	788	2	48
DUK	S_SP2	\$ 55	1,274	32.6%	-	0.0%	3,906	1,488	1	1,275	32.6%	3,906	1,489	1	25%	623	29	1,077	(411)	300
DUK	S_P	\$ 43	1,542	41.0%	-	0.0%	3,762	1,820	6	1,545	41.1%	3,762	1,826	6	33%	1,095	32	1,266	(554)	300
DUK	S_OP	\$ 37	1,997	43.2%	200	4.3%	4,622	2,027	400	2,207	47.8%	4,622	2,427	400	41%	1,702	21	1,870	(157)	300
DUK	W_SP	\$ 39	-	0.0%	-	0.0%	2,662	400	(15)	-	0.0%	2,671	385	(15)	0%	-	-	385	(15)	-
DUK	W_P	\$ 39	567	15.2%	-	0.0%	3,723	516	39	625	16.8%	3,723	555	39	11%	115	18	407	(109)	225
DUK	W_OP	\$ 39	1,968	36.9%	156	2.9%	5,340	1,530	227	2,134	40.0%	5,340	1,756	227	36%	1,278	9	1,446	(84)	225
DUK	SH_SP	\$ 45	-	0.0%	-	0.0%	1,941	393	11	-	0.0%	1,941	404	11	0%	-	-	404	11	-
DUK	SH_P	\$ 31	4	0.2%	-	0.0%	1,982	432	(85)	18	0.9%	2,069	348	(85)	1%	1	-	348	(84)	-
DUK	SH_OP	\$ 29	3	0.1%	-	0.0%	2,319	405	(18)	3	0.1%	2,337	387	(18)	0%	0	-	387	(18)	-
CPL	S_SP1	\$ 57	31	1.3%	-	0.0%	2,341	567	(50)	36	1.5%	2,341	517	(50)	0%	-	1	516	(51)	36
CPL	S_SP2	\$ 55	110	3.3%	32	1.0%	3,282	485	(45)	152	4.6%	3,282	440	(45)	0%	-	11	429	(56)	152
CPL	S_P	\$ 43	132	4.2%	-	0.0%	3,136	339	28	255	8.1%	3,136	367	28	0%	-	33	334	(5)	255
CPL	S_OP	\$ 37	152	3.4%	1,410	31.8%	4,429	1,198	224	1,566	35.4%	4,429	1,423	224	24%	579	64	816	(382)	500
CPL	W_SP	\$ 39	-	0.0%	-	0.0%	5,033	524	(79)	-	0.0%	5,226	445	(79)	0%	-	-	445	(79)	-
CPL	W_P	\$ 39	23	0.4%	246	4.7%	5,194	474	(49)	268	5.1%	5,272	425	(49)	5%	26	-	425	(49)	-
CPL	W_OP	\$ 39	131	2.3%	844	14.5%	5,812	495	160	1,166	20.1%	5,812	655	160	20%	402	-	655	160	-
CPL	SH_SP	\$ 45	1	0.0%	-	0.0%	4,417	375	36	1	0.0%	4,417	410	36	0%	0	-	410	35	-
CPL	SH_P	\$ 31	31	0.7%	-	0.0%	4,473	423	(18)	43	1.0%	4,473	405	(18)	1%	1	-	405	(18)	-
CPL	SH_OP	\$ 29	21	0.5%	-	0.0%	4,780	375	(10)	22	0.5%	4,780	366	(10)	0%	0	-	366	(9)	-

Document Content(s)

Compliance_Filing.PDF.....1-13

Hieronymus_Affidavit.PDF.....14-27

Hieronymus_Workpapers.XLS.....28-37