VOLUNTARY CLEANUP CONTRACT
16-5857-RP

IN THE MATTER OF
CSXF BRAMLETTE ROAD SITE, GREENVILLE COUNTY
and
DUKE ENERGY CAROLINAS, LLC

This Contract is entered into by the South Carolina Department of Health and Environmental Control and Duke Energy Carolinas, LLC, pursuant to the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 through 760, as amended, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. §§ 9601 to 9675, as amended, and the South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. § 44-56-200, with respect to the facility known as the CSXF Bramlette Road Site ("Site"). The CSXF Bramlette Road facility property is located at 400 E. Bramlette Road, Greenville, South Carolina ("Property"). The Property includes approximately 30 acres and is bounded generally by the CSX Transportation railroad corridor to the north, west, and south and West Washington Street, the Legacy Charter School, and the City of Greenville Sanitation Department to the east. The Property is identified by County of Greenville as Tax Map Serial Number 0140000300300, 0140000300200, 0138000100100, 0054000300100, and 0054000600100; and a legal description of the Property is attached to this Contract as Appendix A. None of the Property is currently owned by Duke Energy Carolinas, LLC.

DEFINITIONS

1. Unless otherwise expressly provided, terms used in this Contract shall have the meaning assigned to them in CERCLA, the HWMA, and in regulations promulgated under the foregoing statutes, or the Brownfields/Voluntary Cleanup Program.

A. "Duke" shall mean Duke Energy Carolinas, LLC, a North Carolina limited liability company authorized to do business in South Carolina, with its principal place of business located at 526 South Church Street, Charlotte, North Carolina.

B. "Contract" shall mean this Responsible Party Voluntary Cleanup Contract.

C. "Pollutant" or "Contaminant" includes, but is not limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions, including malfunctions in reproduction, or physical deformations, in organisms or their offspring; "contaminant" does not include petroleum, including crude oil or any fraction of crude oil, which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (i) through (vi) of Paragraph (D) of CERCLA § 101, 42 U.S.C. §§ 9601, as amended, and does not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality or mixtures of natural gas and such synthetic gas.

D. "Contamination" shall mean impact by a Hazardous Substance, Contaminant, Petroleum, or Petroleum Product.

E. "Department" shall mean the South Carolina Department of Health and Environmental Control or a successor agency of the State of South Carolina that has responsibility for and jurisdiction over the subject matter of this Contract.

F. "Hazardous Substance" shall have the same meaning as defined under subparagraphs (A) through (F) of Paragraph (14) of CERCLA, Section 101, 42 U.S.C. Section 9601(14).

G. "Oversight Costs" means those costs, both direct and indirect, incurred by the department in implementing the voluntary cleanup program.

H. "Petroleum" and "Petroleum Product" shall mean crude oil or any

fraction of crude oil, which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds for each square inch absolute), including any liquid, which consists of a blend of petroleum and alcohol and which is intended for use as a motor fuel.

I. "Property" shall mean that portion of the Site as described in the legal description attached as Appendix A.

J. "Response Action" shall mean any assessment, cleanup, inspection, or closure of a site as necessary to remedy actual or potential damage to public health, public welfare, or the environment.

K. "Site" shall mean all areas where a Hazardous Substance, Petroleum, Petroleum Product, Pollutant or Contaminant has been released, deposited, stored, disposed of, or placed, or otherwise comes to be located; "Site" does not include any consumer product in consumer use or any vessel, as defined in CERCLA.

L. "Voluntary Cleanup" shall mean a Response Action taken under and in compliance with the Brownfields/Voluntary Cleanup Program, S.C. Code Ann. §§ 44-56-710 to 760, as amended.

M. "Work Plan" shall mean the plan for additional Response Actions to be conducted at the Site as described in Paragraph 3 of this Contract.

FINDINGS

2. Based on the information known by or provided to the Department, the following findings are asserted for purposes of this Contract:

A. Owners and Operators: The Property is currently owned by CSX Transportation, Inc. (CSX Transportation) and is divided into five parcels with individual Property Identification Numbers (PINs). The owners and operators of the Property include the following:

1. Parcel 1 PIN: 0140000300300
   a). Southern Public Utilities, Circa 1917 to May 26, 1939
   b). Duke Power Company, May 26, 1939 to May 9, 1951
   c). Piedmont Natural Gas Co., Inc., May 9, 1951 to April 18, 1963
   d). Piedmont & Northern Railway Co., April 18, 1963 to June 20, 1967
   e). Seaboard Coast Line Railroad Co., June 20, 1967 to present
2. Parcel 2 PIN: 0140000300200
   a). Piedmont & Northern Railway Co., April 1, 1911 to June 20, 1967
   b). Seaboard Coast Line Railroad Co., June 20, 1967 to present
3. Parcel 3 PIN: 0138000100100
   a). Piedmont & Northern Railway Co., August 3, 1940 to June 20, 1967
   b). Seaboard Coast Line Railroad Co., June 20, 1967 to present
4. Parcel 4 PIN: 0054000300100
   a). Piedmont & Northern Railway Co., July 31, 1940 to June 20, 1967
   b). Seaboard Coast Line Railroad Co., June 20, 1967 to present
5. Parcel 5 PIN: 0054000600100
   a) Piedmont & Northern Railway Co., July 31, 1940 to June 20, 1967
   b). Seaboard Coast Line Railroad Co., June 20, 1967 to present

B. Property and Surrounding Areas: Parcels 1, 2, and 3 are located outside the City of Greenville city limits. Parcels 4 and 5 are located with the City of Greenville city limits. The CSX Corporation is a holding company that owns the Seaboard Coast Line Railroad Co. and CSX Transportation. Parcels 2 and 3 are intersected by East Bramlette Road. Parcel 1 is vacant. Parcel 2 is vacant with the exception of a terminal located in the southwestern portion of the parcel adjacent to the CSX Transportation railroad corridor. Parcel 3 is vacant with the exception of a CSX Transportation railroad office building and associated parking lot located in the northwestern portion of the parcel. Parcels 4 and 5 are vacant.

Wetlands are located on Parcels 3, 4, and 5. According to the County of Greenville Geographic Information System the Property is about 30 acres. The Swamp Rabbit Trail (a linear, greenway park) and the Reedy River are located just west of the CSX Transportation railroad corridor bordering the Property. The railroad corridor and the Swamp Rabbit Trail parallel the Reedy River. In addition to the Legacy Charter School and the City of Greenville Sanitation Department, offsite properties to the east include some single-family-home residential structures.

The Property includes two contaminated sites: the former Manufactured Gas Plant (MGP) and the unpermitted Vaughn construction and demolition debris (C&D) landfill. The MGP site is located on Parcel 1 and is about 3.7 acres ("MGP Site"). The landfill site is located on Parcel 3 and is about 7 acres ("Landfill Site"). Access to the MGP site is restricted by perimeter fencing. The Landfill Site is located within the eastern bank floodplain of the Reedy River. Access to the Landfill Site is limited by the surrounding wetlands to a single entrance off East Bramlette Road. The MGP Site included a retort house, three gas holders, water gas plant, tar and ammonia washer tanks, purifiers, tar extractor and holder, and underground heating oil tank. In 1952 the MGP ceased to operate. By 1958 the MGP was mostly demolished and in the 1970s and 1980s the MGP Site was used as a trucking facility.

In 1988 Mr. Robert Vaughn offered to purchase a portion of Parcel 3 from Seaboard Coast Line Railroad Co for a solid waste landfill. Mr. Vaughn paid a deposit to acquire the property and began unpermitted landfilling activities. Mr. Vaughn did not complete the property acquisition. In 1993, the Department advised Mr. Vaughn that the landfilling activities were improper. In 1994, the U.S. Army Corps of Engineers notified CSX Transportation, the current owner of the property, that the landfill

was located on wetlands and therefore in violation of section 301 of the federal Clean Water Act. CSX Transportation thereafter ordered Mr. Vaughn to cease operation of and to close the unpermitted landfill. Mr. Vaughn did not remove the fill material from the unpermitted landfill or remediate environmental impacts resulting from the unpermitted landfill activities at the Landfill Site.

Offsite and north of the MGP site, Texas Oil Company operated a petroleum bulking facility at approximately the same time as the MGP. The Texas Oil Company property later became the Suburban Propane property.

C. Investigations/Reports: The findings of previous investigations and reports related to the MGP impacts include the following.

1. Phase I Investigation — In 1995 a Phase I investigation was completed on the landfill site. The investigation included the collection of 33 soil samples, 7 groundwater samples, 7 sediment samples, and 4 surface water samples for laboratory analysis. Soil samples were collected through the landfill to the underlying native soil from direct-push borings. Test pits were installed using an excavator in locations where direct-push met refusal. C&D waste as well as household appliances were observed in the test pits. In six of the borings tar-like material was observed at the interface between the landfill waste and the native soil. Groundwater samples were also collected from the direct-push borings. Sediment samples were collected using a hand auger. Surface water samples were collected directly from the water surface. All samples were analyzed for metals, polychlorinated-biphenyls (PCBs), and volatile organic compounds (VOCs). Select samples were analyzed for semi volatile organic compounds (SVOCs). Sediment and surface

water samples were also analyzed for total petroleum hydrocarbons (TPH). PCBs were not detected in any samples. VOCs and SVOCs were not detected in the surface water samples. Lead concentrations in soil, sediment, and groundwater exceeded background levels. Benzene, ethylbenzene, toluene, total xylenes (BTEX), TPH, styrene and polycyclic aromatic hydrocarbons (PAHs) were detected in sediment, soil, and groundwater samples. Trichlorofluoromethane, a refrigerant, was detected in one groundwater sample.

2. Phase II Investigation — In 1996 a Phase II investigation was completed on both the landfill site and the MGP site. The investigation included the installation of direct push and hand auger borings to determine the horizontal extent of coal tar in the subsurface, the installation of eight (8) monitoring wells (MW-1, MW-2, MW-3, MW-4, MW-5, MW-6, and MW-7) including one deep, telescoping well (MW-3D), a biological survey of the wetlands area surrounding landfill site, and excavation within the landfill to investigate the source of the elevated heavy metal (e.g., lead) concentrations in soil, sediment, and groundwater detected during Phase I. The coal tar extended horizontally across the northeast and southwest portions of the MGP site, through a historical wastewater discharge ditch paralleling East Bramlette Road from the southwest corner of the MGP site to a culvert that passed underneath East Bramlette Road to the northeast corner of the landfill site, and within the historical floodplain and beneath the landfill on the landfill site. No coal tar was observed in the southeast and northwest corners of the MGP site or outside the historical wastewater ditch on Parcel 2 north of East Bramlette Road.

Groundwater samples were collected from the monitoring wells and analyzed for VOCs and SVOCs. Coal tar free product was observed in the bottom of MW-3D. 1,2,4-trimethylbenzene, 1,3,5-trimethylbenzene BTEX, styrene, and PAHs were detected in one or more samples from six of the eight monitoring wells. No VOCs and SVOCs were detected above laboratory reporting limits in the samples collected from MW-2 and MW-4. The biological survey included the assessment of five plots with similar environmental characteristics (e.g., plant type, water depth, and sunlight exposure) within the floodplain west of the landfill. The biological survey concluded that at a confidence level of 95%, no significant negative correlations were found to exist between organic contaminants in the soils and the prevalence of plants in the sample plots. The landfill was excavated to investigate the source of the elevated heavy metal concentrations in soil, sediment, and groundwater detected during Phase I. Brick, concrete, wood, and metal were excavated from the landfill. Included with the metal were several lengths of piping such as that connected to petroleum storage tanks, a crushed 55-gallon drum, and a small tank.

3. Phase III investigation — In 1999 a Phase III investigation was completed. The investigation included the installation of 11 monitoring wells on the MGP site (MW-7, MW-8, MW-10, MW-11, MW-13, MW-14, MW-15, MW-16, and MW-17) including one deep, double-cased telescoping well (MW-9) and eight (8) monitoring wells on the landfill site (MW-18, MW-19, MW-21, MW-22, MW-23, MW-24, and MW-25) including one deep, double-cased telescoping well (MW-20), the collection of groundwater samples from all monitoring

wells, the installation of one soil boring with a hand auger (HA#1), the collection of nine (9) surface water samples, the sampling and inventory of aquatic fauna in direct contact with soil, sediments, and water around the landfill site, and the characterization of risk from exposure, or potential exposure, to MGP site-related chemicals.

MW-25 was installed on the offsite school property west of the landfill site. Free product was not measured in any of the monitoring wells in 1999. Groundwater samples were collected from all of the monitoring wells and analyzed for VOCs, SVOCs, cyanide, and natural attenuation parameters (e.g., total organic carbon). All of the groundwater samples, except MW-4, were also analyzed for metals. BTEX components were detected in MW-1, MW-2, MW-3, MW-3D, MW-6, MW-7, MW-8, MW-13, MW-17, MW-19, MW-20, and MW-21. 1,2,4-trimethylbenzene was detected in MW-2, MW-3, MW-7, MW-8, and MW-21. PAHs were detected in MW-1, MW-2, MW-3, MW-3D, MW-6, MW-7, MW-8, MW-9, MW-17, MW-19, MW-20, and MW-21. 1,2-dichloroethane was detected in MW-13 and cis-1,2-dichloroethene, trichloroethene, and tetrachloroethene were detected in MW-14. Barium and iron were detected in all of the analyzed groundwater samples. Total chromium and lead were detected in MW-8. Mercury was detected in MW-2, MW-3D, MW-5, MW-6, MW-7, MW-8, MW-10, MW-11, MW-13, MW-14, MW-16, MW-17, MW-19, MW-20, MW-21, MW-22, MW-23, and MW-25 and total cyanide was detected in MW-1, MW-2, MW-3, MW-3D, MW-7, MW-8, MW-9, MW-11, MW-12, MW-15, MW-16, MW-17, MW-18, MW-19, MW-20, and MW-21. All mercury and total cyanide concentrations were below the maximum contaminant level

(MCL) drinking water standard set by the United States Environmental Protection Agency. Natural attenuation parameters indicated that biological degradation was likely occurring in groundwater.

One soil sample was collected from HA#1 and analyzed for VOCs and SVOCs. BTEX, styrene, 1,2,4-trimethylbenzene, 1,3,5-trimethylbenzene, and PAHs were detected in the HA#1 soil sample.

Surface water samples were analyzed for VOCs, SVOCs, metals, cyanide, and natural attenuation parameters. No VOCs or SVOCs were detected in the surface water samples. Iron and barium were detected in all of the surface water samples. Mercury was detected in 6 surface water samples but below the MCL. Total cyanide was detected in 5 surface water samples, but below the MCL. Natural attenuation parameters and absence of VOCs and SVOCs indicated that a combination of biological degradation, adsorption, and volatilization processes were likely occurring in surface water.

Two 100 foot square sampling locations were established for the fauna inventory in the wetlands south of the landfill. Aquatic and semi-aquatic species were found in both sampling locations indicating that faunal populations were self-sustaining and likely unaffected by organic contaminants in the environment.

The risk characterization assessed the exposure pathways of inhalation, ingestion, and direct dermal contact. The risk of exposure for all pathways was considered low based upon site settings. The highest potential exposure risk was inhalation of contaminants adsorbed onto dust by any persons involved in excavation of contaminated soils.

4. Preliminary MGP Site Cleanup — From April to June 2000, 5,073.48 tons of surface vegetation (e.g., trees, brush, and shrubs) and surface trash (e.g., broken concrete, metal, bricks, block, ceiling tiles, old tanks, and steel reinforcing rods) were removed from the MGP site and hauled to and disposed of at the Palmetto Landfill in Wellford, South Carolina.
5. Pre-excavation Monitoring Well Abandonment — In late July and early August 2001 monitoring wells MW-7, MW-8, MW-9, MW-10, MW-11, MW-12, MW-13, and MW-14 were abandoned. The wells were abandoned because they were located within or near areas proposed for excavation as outlined in a September 2000 risk-based remedial action plan (RAP) for soil.
6. Soil Excavation — From July 2001 to December 2002, impacted soil was excavated from the MGP Site, the historical wastewater ditch north of East Bramlette Road, and the offsite Suburban Propane property. Excavation areas included 1.4 acres to a depth of between 3 and 6 feet below ground surface, and 2.4 acres to a depth between 6 and 12 feet below ground surface. Excavations were extended laterally until cleanup target concentration levels were reached, or until physical boundaries prevented further excavation. Excavation extended approximately 50 feet into the offsite Suburban Propane property. MGP-related debris (e.g., holder slabs, railroad trestle supports, a tar tank, and a tar well) were discovered and removed during excavation. 61,088 tons of contaminated soil and debris were excavated. 33,944 tons of soil were screened through a 3-inch mesh and transported to the Southeastern Soil Recovery (SSR) facility in Laurens County, South Carolina for thermal

treatment. 33,926 tons of treated soil from the SSR facility was returned and used as backfill. One treatment confirmation sample was collected from every 500 tons of thermally-treated soil. The remainder of the excavation was backfilled with clean soil from offsite sources. Soil that was either not returned and/or thermally treated was disposed of at the Palmetto Landfill in Wellford, South Carolina. Samples were collected from the excavation sidewalls and bottom for laboratory analysis of VOCs and SVOCs. 61 sidewall and 28 bottom samples were collected. 16 sidewall and 7 bottom samples contained detectable concentrations of BTEX compounds. 21 sidewall and 6 bottom samples contained detectable concentrations of PAHs. Sidewall samples collected on the offsite Suburban Propane property indicated petroleum contaminated soil uncharacteristic of an MGP site.

7. Additional Investigations — In July 2002 two additional investigations were conducted concurrent with soil excavation activities. Arsenic concentrations in treatment confirmation samples collected from the thermally-treated soil exceeded Department cleanup criteria. Soil samples were collected from within and immediately surrounding the MGP site and analyzed for arsenic. It was determined that the arsenic concentrations were naturally occurring. The Suburban Propane property and a limited area immediately west of the Suburban Propane property (the northwest area) were investigated. Test trenches (4 on the Suburban Propane property and 2 in the northwest area) were excavated. Eight soil samples were collected from the test trenches and submitted for laboratory analysis of BTEX and PAHs. MGP-related contamination was not detected in the

northwest area. MGP-related contamination was detected on the Suburban Propane property, but some petroleum contamination uncharacteristic of an MGP site was also detected. Remediation efforts underway at the MGP site were extended to the Suburban Propane property to remove the detected MGP-related contamination.

8. Other Monitoring Well Abandonment/Replacement — In 2005, monitoring well MW-6 was damaged and replaced with MW-6A. In 2010, monitoring well MW-4 was abandoned. In 2011, monitoring well MW-25 was damaged and replaced with MW-25R.

9. Semiannual Water Quality Monitoring — Beginning in November 2000 groundwater samples have been collected from monitoring wells for laboratory analysis of BTEX, SVOCs, and the natural attenuation parameters nitrate, sulfate, and iron twice per year in May and November. Following the November 2005 sampling event, sample collection was reduced to 7 indicator wells only during the May events. Following the May 2013 sampling event, SVOC analysis was suspended. Semiannual sample collection, laboratory analysis, and reporting are ongoing. During the May 2014 sampling event, all VOCs decreased below detection limits in MW-2 (the sample collected from the indicator well located between the MGP site and the Reedy River).

RESPONSE ACTIONS

3. Duke agrees to submit to the Department for review and written approval within sixty (60) days of the execution date of this Contract a Work Plan for the Site that is consistent with the technical intent of the National Contingency Plan. The Work Plan shall be implemented upon written approval from the Department. The Work Plan shall

include the names, addresses, and telephone numbers of the consulting firm, the analytical laboratory certified by the Department, and Duke's contact person for matters relating to this Contract. Dukes will notify the Department in writing of changes in the contractor or laboratory. The Department will review the Work Plan and will notify Duke in writing of any deficiencies in the Work Plan, and Duke will respond in writing within thirty (30) days to the Department's comments. The Work Plan and all associated reports shall be prepared in accordance with industry standards and endorsed by a Professional Engineer (P.E.) and/or Professional Geologist (P.G.) duly-licensed in South Carolina and shall set forth methods and schedules for accomplishing the following tasks:

A. Duke has conducted extensive assessment and remediation of the MGP Site and Parcel 2. Additionally, Duke has conducted extensive assessment of potential impacts to the Landfill Site and Parcel 4 from the former operations on the MGP Site. A Remedial Action Plan for soil impacts at the Site was completed and a final report issued in 2003. Duke will conduct a Groundwater Remedial Investigation (RI) in areas where additional information is needed to determine the source, nature, and extent of Groundwater Contamination at the Site resulting from the former operation of the MGP Site. The Groundwater RI is limited to assessment of the groundwater impacts resulting from the former operation of the MGP Site and will not require additional assessment of any impacts resulting from the unpermitted landfill activities conducted on the Landfill Site. The Work Plan for the Groundwater RI will propose installation of additional wells as needed to supplement data available from the prior assessments conducted by Duke.

B. Duke will submit to the Department an RI Report (to include a Baseline Risk Assessment or other evaluation of risk to human health and the environment) in accordance with the schedule in the

approved Groundwater RI Work Plan. The RI Report will include the findings of the assessment conducted pursuant to the Groundwater RI Work Plan and historic sampling data used to determine the nature and extend of the Contamination at the Site resulting from the former operation of the MGP Site. The Department shall review the report for determination of completion of the RI and sufficiency of the documentation. If the Department determines that the field investigation is not complete, it will send written notification of such to Duke, and Duke shall subsequently conduct additional field investigation to further determine the source, nature, and extent of the MGP-related Contamination. If the Department determines that the field investigation is complete but the report is incomplete, the Department shall send to Duke a letter indicating that revision of the report is necessary. Within thirty-(30)-days of receipt of such letter from the Department, Duke shall submit a revised report addressing the Department's comments.

C. If determined necessary by the Department, Duke will conduct a Feasibility Study or other evaluation of remedial and/or removal alternatives for addressing MGP-related Contamination at the Site If the selected remedy for addressing the MGP-related Contamination at the Landfill Site requires removal and/or disturbance of the materials deposited in the unpermitted landfill, then the Department will attempt to enter into an agreement with all the potentially responsible parties to implement the selected remedy.

4. Duke shall prepare and submit under separate cover from the Work Plan, a Health and Safety Plan that is consistent with Occupational Safety and Health Administration regulations. The Health and Safety Plan is submitted for information purposes only to the Department. The Department expressly disclaims any liability that

may result from implementation of the Health and Safety Plan by Duke.

5. Duke shall inform the Department in writing at least five (5) working days in advance of all field activities pursuant to this Contract and, if deemed necessary by the Department, shall allow the Department and its authorized representatives to accompany Duke representatives to take duplicates of any samples collected by Duke pursuant to this Contract.

6. Within sixty (60) days of the execution date of this Contract and once a quarter thereafter, Duke shall submit to the Department a written progress report that must include the following: (A) actions taken under this Contract during the previous reporting period; (B) actions scheduled to be taken in the next reporting period; (C) sampling, test results, and any other data, in summary form, generated during the previous reporting period, whether generated pursuant to this Contract or not; and (D) a description of any environmental problems experienced during the previous reporting period and the actions taken to resolve them.

7. All correspondence which may or are required or permitted to be given by either party to the other hereunder shall be in writing and deemed sufficiently given if delivered by (A) regular U.S. mail, (B) certified or registered mail, postage prepaid, return receipt requested, (C) nationally recognized overnight delivery service company, (D) by hand delivery, or (E) by electronic mail to the other party at the address shown below or at such place or to such agent as the parties may from time to time designate in writing.

Unless otherwise directed in writing by either party, all correspondence, work plans, and reports should be submitted via email to:

The Department: James Berresford
South Carolina Department Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, South Carolina 29201
berresjl@dhec.sc.gov

Duke : Andrew W. Shull
Duke Energy
411 Fayetteville Street
Raleigh, North Carolina 27601-1849
Andrew.Shull@duke-energy.com

All final work plans and reports shall include two (2) paper copies and one (1) electronic copy on compact disk.

PUBLIC PARTICIPATION

8. Upon execution of this Contract, the Department will seek public participation in accordance with S.C. Code Ann. § 44-56-740(D), and in a manner not inconsistent with the National Contingency Plan. Duke will pay costs of response associated with public participation (e.g., publication of public notice(s), building and equipment rental(s) for public meetings, etc.).

COSTS OF RESPONSE

9. Duke shall, within thirty (30) days of the execution date of this Contract, pay to the Department by certified or cashier's check the sum of eight thousand four hundred ninety-one dollars and ninety-nine cents ($8,491.99) to reimburse estimated past costs of response incurred by the Department through January 1, 2016 ("Past Costs") relating to the Site. Duke's payment for Past Costs should be submitted to:

The Department: David Wilkie
South Carolina Department of Health & Environmental Control
Bureau of Land and Waste Management
2600 Bull Street
Columbia, SC 29201

In accordance with §§ 44-56-200 and 44-56-740, Duke shall, on a quarterly basis, reimburse the Department for Oversight Costs of activities required under this Contract. Oversight Costs include, but are not limited to, the direct and indirect costs of negotiating the terms of this Contract, reviewing Work Plans and reports, supervising corresponding work and activities and costs associated with public participation. Payments will be due within thirty (30) days of the Department's invoice date. The

Department shall provide documentation of its Oversight Costs in sufficient detail so as to show the personnel involved, amount of time spent on the project for each person, expenses, and other specific costs. Invoices shall be submitted to:

Duke: Andrew W. Shull
Duke Energy
411 Fayetteville Street
Raleigh, North Carolina 27601-1849

All of Duke's payments should reference the Contract number on page 1 of this Contract and made payable to:

The South Carolina Department of Health & Environmental Control

If complete payment of the Past Costs or of the quarterly billing of Oversight Costs is not received by the Department by the due date, the Department may bring an action to recover the amount owed and all costs incurred by the Department in bringing the action including, but not limited to, attorney's fees, Department personnel costs, witness costs, court costs, and deposition costs.

ACCESS

10. Upon presentation of proper credentials, Duke will not deny the Department, its authorized officers, employees, representatives, and all other persons performing Response Actions access to the Site during normal business hours or at any time work under this Contract is being performed or during any environmental emergency or imminent threat situation, as determined by the Department (or as allowed by applicable law). Duke shall ensure that a copy of this Contract is provided to the current owner of the Property. If Duke is unable to obtain access from the current owner of the Property, the Department may use its independent authority to obtain access and perform Response Actions. All of the Department's reasonable costs associated with access and said Response Actions will be reimbursed by Duke.

RESTRICTIVE COVENANT

11. If hazardous substances in excess of residential standards exist at the Property after Duke has completed the actions required under this Contract, Duke shall use its best efforts to negotiate with the current owner of record to enter and file a restrictive covenant placing appropriate restrictions on use of the Property. Upon the Department's approval of the items outlined therein, the restrictive covenant shall be signed by the Department and representatives of Duke and the current owner and witnessed, signed, and sealed by a notary public. Duke or the current owner shall file this restrictive covenant with the Register of Mesne Conveyance or Deeds in the county in which the Property is located. The signed covenant shall be incorporated into this Contract as an Appendix. A Certificate of Completion shall not be issued by the Department until the Restrictive Covenant, if required, is executed and recorded. With the approval of the Department, the restrictive covenant may be modified in the future if additional remedial activities are carried out which meet appropriate clean-up standards at that time or circumstances change such that the restrictive covenant would no longer be applicable. The Department may require subsequent owners of the Property to modify the restrictive covenant if a significant change in law or circumstances requiring remediation occurs. Owners of the Property shall file an annual report with the Department by May 31st of each year detailing the current land uses and compliance with the restrictive covenants for as long as the restrictive covenant remains in effect on the Property. The report must be submitted in a manner prescribed by the Department.

OBLIGATIONS AND BENEFITS

12. Upon execution of this Contract by the Department, Duke, its signatories, parents, subsidiaries, successors and assigns, shall be deemed to have resolved their liability to the State in an administrative settlement for purposes of, and to the extent authorized under 42 U.S.C. § 9613(f)(2) and § 9613(f)((3)(B), S.C. Code Ann. § 44-56-200, for the Response Actions specifically covered in the Contract including the approved Work Plan(s) and reports. A thirty (30) day comment period shall be required prior to the Department's execution of the Contract, and shall commence upon publication of the notice of the proposed Contract in the South Carolina State Register.

13. Nothing in this Contract is intended to be, or shall be construed as, a release or covenant not to sue for any claim or cause of action, past or future, that the Department may have against a responsible party who is not a signatory to the Contract.

14. Subject to Paragraphs 12 and 16, nothing in this Contract is intended to limit the right of the Department to undertake future Response Actions at the Site or to seek to compel parties to perform or pay for costs of Response Actions at the Site. Nothing in this Contract shall in any way restrict or limit the nature or scope of Response Actions that may be taken or be required by the Department in exercising its authority under State and Federal law.

15. Subject to the provisions of Paragraph 16, nothing in this Contract is intended to be or shall be construed as a release or covenant not to sue for any claim or cause of action that the Department may have against Duke for any matters not expressly included in this Contract.

16. Upon successful completion of the terms of this Contract and the approved Work Plan as referenced in Paragraph 3 above, Duke shall submit to the Department a request for a Certificate of Completion.

Once the Department determines that Duke has successfully and completely complied with this Contract, the Department, pursuant to S.C. Code Ann. § 44-56-740(A)(5) and (B)(1), will give Duke a Certificate of Completion that provides a covenant not to sue to Duke , its signatories, parents, successors, subsidiaries, for the work done in completing the Response Actions specifically covered in the Contract and completed in accordance with the approved work plans and reports. The covenant not to sue and administrative settlement for purposes of contribution protection are contingent upon the Department's determination that Duke successfully and completely complied with the Contract.

In consideration of the Department's covenant not to sue, Duke, its signatories, parents, successors, assigns, and subsidiaries agree not to assert any claims or causes

of action against the Department arising out of activities undertaken at the Site or to seek other costs, damages, or attorney's fees from the Department arising out of activities undertaken at the Site, except for those claims or causes of action resulting from the Department's intentional or grossly negligent acts or omissions.

18. Duke and the Department each reserve the right to unilaterally terminate this Contract. Termination may be accomplished by giving a thirty (30) day advance written notice of the election to terminate this Contract to the other party. Should Duke elect to terminate, it must submit to the Department all data generated pursuant to this Contract, and certify to the Department's satisfaction that any environmental or physical hazard shall be stabilized and/or mitigated such that the Site does not pose a hazard to human health or the environment that did not exist prior to any initial Response Action addressing Contamination identified in this Contract.

19. The Department may terminate this Contract only for cause, which may include but is not limited to, the following:

A. Events or circumstances at the Site that are inconsistent with the terms and conditions of this Contract;
B. Failure to complete the terms of this Contract or the Work Plan;
C. Failure to submit timely payments for Past Costs and/or for Oversight Costs as defined in Paragraph 9 above;
D. Additional Contamination or releases or consequences at the Site caused by Duke, its parents, successors, assigns, and subsidiaries;
E. Providing the Department with false or incomplete information or knowingly failing to disclose material information;
F. Change in Duke or its parents, successors, assigns, and subsidiaries business activities on the Property or use of the Property that are inconsistent with the terms and conditions of this Contract; or
G. Failure by Duke to obtain the applicable permits from the Department for any Response Action or other activities undertaken at the Property.

20. Upon termination of the Contract under Paragraph 18 or 19, the covenant not to sue and administrative settlement for purposes of contribution protection shall be null and void. Termination of the Contract by Duke or the Department does not end the obligations to pay Oversight Costs already incurred by the Department and payment of such costs shall become immediately due.

21. The signatories below hereby represent that they are authorized to and enter into this Contract on behalf of their respective parties.

THE SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

BY:_____ DATE: _____

Daphne G. Neel, Chief
Bureau of Land and Waste Management
Environmental Quality Control

_____ DATE: _____

Reviewed by Office of General Counsel

DUKE ENERGY CAROLINAS, LLC

BY: Larry E. Hatcher DATE: 5/5/16

Larry Hatcher,
Vice President, Environment

APPENDIX A

Legal Description of the Property

County of Greenville

Tax Map Serial Numbers
0140000300300, 0140000300200, 0138000100100, 0054000300100, 005400600100

ALL those certain pieces, parcels, or lots of land situate, lying and being, in the County of Greenville, State of South Carolina, and being identified by Tax Map Serial Numbers 0140000300300, 0140000300200, 0138000100100, 0054000300100, and 0054000600100. This being the same property conveyed to predecessors of CSX Transportation, Inc. by deeds recorded in the Office of Register of Deeds for the County of Greenville at Book F, Page 97 and dated April 1, 1911; Book 224, Page 177 and dated August 3, 1940; Book 224, Page 195 and dated July 31, 1940; Book 224, Page 196 and dated July 31, 1940; and Book 724, Page 284 and dated April 18, 1963.