

**RESOLUTION APPROVING SERVICE AREA AGREEMENT
AND LOAD BANKING AGREEMENT**

WHEREAS, the Fayetteville Public Works Commission (PWC), a public authority under North Carolina law, is the primary supplier of electric power and energy within the corporate limits of the City of Fayetteville, North Carolina;

WHEREAS, each of Duke Energy Progress, LLC, ("DEP") and South River Electric Membership Corporation, ("SREMC") is a secondary supplier of electric power and energy within the corporate limits of the City of Fayetteville;

WHEREAS, each of PWC, DEP and SREMC has the right to provide electric service within the corporate limits of the City of Fayetteville to the extent provided by Article 16 of Chapter 160A of the North Carolina General Statutes;

WHEREAS, the North Carolina Utilities Commission assigned each of DEP and SREMC as the exclusive provider of electric service in certain areas located within a tract of land, known as the "Broadwell Tract", that, at the time of such assignments, was located wholly outside the corporate limits of the City of Fayetteville but that is now located wholly within the corporate limits of the City of Fayetteville;

WHEREAS, the owners of the Broadwell Tract have advised PWC, DEP and SREMC that the owners intend to improve and develop the Broadwell Tract with residential and commercial properties;

WHEREAS, pursuant to the provisions of Article 16 of Chapter 160A of the North Carolina General Statutes, each of DEP and SREMC has certain limited rights to provide electric service to premises that are planned to be located within the Broadwell Tract and, except for such limited rights of DEP and SREMC, PWC has certain limited and exclusive rights to provide electric service to premises that are planned to be located within the Broadwell Tract;

WHEREAS, pursuant to the Service Area Agreement (attached hereto as Exhibit 1), PWC will provide its written consent, pursuant to the provisions to N. C. Gen. Stat. § 160A-332(a)(6a), authorizing DEP and SREMC, as secondary suppliers, to be the exclusive providers of electric service within portions of the Broadwell Tract that (i) had been assigned areas to each, as the secondary suppliers, prior to the relevant determination date and (ii) prior to the execution of the Service Area Agreement were areas exclusively reserved to PWC, as the primary supplier;

WHEREAS, in consideration for PWC entering into and executing the Service Area Agreement, DEP and SREMC will grant to PWC, pursuant to the terms and conditions of the Load Banking Agreement (attached hereto as Exhibit 2), certain rights to provide electric service to premises located within and without the corporate limits of the City of Fayetteville in areas within and without the corporate limits of the City of Fayetteville in which each of DEP and SREMC has exclusive and non-exclusive rights to provide electric service; and


WHEREAS, PWC cannot cost effectively provide electric services to the premises within the Broadwell Tract due to the limited scope of development expected to be served within PWC's exclusive service territory and the distance of the Broadwell Tract, which is located in a satellite area, from PWC's existing electric infrastructure, and therefore, the Load Banking Agreement is expected to bestow upon PWC a net economic benefit.

THEREFORE, LET IT BE RESOLVED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION THAT:

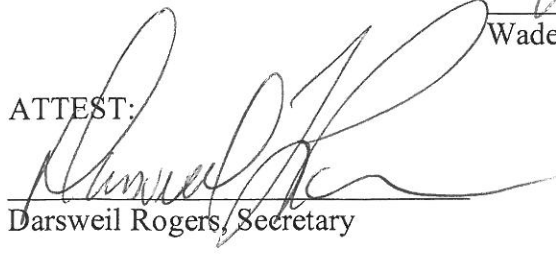
1. The Commissioners hereby find that it is in the Fayetteville Public Works Commission's economic interest to enter into the Service Area Agreement and the Load Banking Agreement.
2. This matter shall be referred to the City Council of the City of Fayetteville for their concurrence in accordance with Section 502 of the Bond Order Adopted November 5, 1990, as amended, pursuant to which revenue bonds have been issued by the City on behalf of the Fayetteville Public Works Commission for capital improvement projects.
3. If the City Council of the City of Fayetteville concurs that entering into the Service Area Agreement and the Load Banking Agreement is in the City's economic interest, then the CEO/General Manager of the Fayetteville Public Works Commission, acting on its behalf, shall be authorized and directed to execute the Service Area Agreement and the Load Banking Agreement, and the Chief Legal Officer of the Fayetteville Public Works Commission, acting on its behalf, shall be authorized and directed to file with the Bond Trustee pursuant to Section 502 of the Bond Order a written statement that both the Fayetteville Public Works Commission and the City have determined that execution of the Service Area Agreement and the Load Banking Agreement is in their respective economic interests for the reasons set forth in their respective resolutions or other written or recorded forms of approval.

ADOPTED this 28 day of April, 2021.

FAYETTEVILLE PUBLIC WORKS COMMISSION


Wade R. Fowler, Jr., Chairman

ATTEST:


Darsweil Rogers, Secretary