

MEMORANDUM

To: OATT Customers and Interested Parties (“Customers”)
From: Carolina Power & Light Company, doing business as Progress Energy Carolinas, Inc. (“PEC”)
Date: May 15, 2009
Re: PEC’s 2009 Annual Update, Future Section 205 Formula Rate Changes and June 3rd Customer Conference Call

ELECTRONIC FILES

In connection with PEC’s 2009 Annual Update and future Section 205 formula rate changes, the following five electronic files have been posted on PEC’s OASIS site at <http://www.oatioasis.com/CPL/>, on the Open Access Transmission Tariff (OATT) Information page, as well as well as Progress Energy’s corporate website at <http://www.progress-energy.com/aboutenergy/ferc/index.asp> :

1. This memorandum.
2. PEC’s 2009 Annual Update Informational Filing filed on May 15, 2009 at the Federal Energy Regulatory Commission (“FERC”).
3. A workable EXCEL file for PEC’s 2009 Annual Update.
4. A workable EXCEL file reflecting a future Section 205 formula rate change that PEC will file at FERC concerning OATT contra and other changes. These changes reduce PEC’s OATT formula rate. PEC intends to request waiver from FERC to make these changes effective June 1, 2009. PEC will make this filing by the end of May 2009.
5. A workable EXCEL file reflecting a future Section 205 formula rate change that PEC will file at FERC concerning an ITC correction (tax issue). This change

increases PEC's OATT formula rate. PEC intends to request that this change become effective on the first day of month after FERC's 60-day time period has expired (i.e., effective August 1, 2009). PEC will make this filing by the end of May 2009.

CUSTOMER MEETING

PEC will hold a conference call to discuss the PEC 2009 Annual Update on **Wednesday, June 3, 2009 at 10:00 a.m. Eastern Time**. Please use the following conference call information to dial into the call:

Toll-free number: 1-866-740-1260

Access code: 2961505