DUKE POWER
526 S. Church Street
Charlotte, NC 28202-1802

November 30, 2005

Mr. William Skeen
259 Pintail Lane
Mooresville, N 28117

Re: Encroachment Agreement

Dear Bill,

This is to verify that Duke Power will not object to the placement of nitrification fields within the Duke Electric Transmission right-of-way on Lots 224 and 225 Fairway Drive in Mooresville. The placement of these nitrification fields are so noted in your application filed with the County of Iredell. You have previously received the encroachment agreements which you are responsible for getting them signed and notarized and returned to me for filing.

Per this letter, Iredell County has Duke's approval to release your permitting to utilize the land as you have applied. The execution of the encroachment document is not necessary, in our opinion, to permit you to move forward.

Thank you very much for your patience in this matter. If you have any questions, please call me at 704-382-3504

Sincerely,

Douglas A. Gould
Senior Engineer