



NEWS RELEASE

For Immediate Release

Raleigh solar power plant will be first of its kind in N.C.

RALEIGH, N.C. (July 7, 2009) – Progress Energy Carolinas has signed an agreement with NxGen Power to build, own and operate a 1.3-megawatt solar photovoltaic (PV) array and sell the output to Progress Energy Carolinas for distribution to its customers. The proposed PV array would be located on City of Raleigh property at the Neuse River Wastewater Treatment Plant (NRWWTP) and be constructed by Southern Energy Management.

The project, which still requires final approval by the Raleigh City Council, will be the first utility-scale solar power project located on local government property in North Carolina. This is also the fifth and largest solar array project announced by Progress Energy Carolinas, bringing the total amount of solar-generated electricity scheduled to be purchased by the company to more than 5 megawatts.

“We are committed to aggressively and responsibly pursuing renewable energy resources, such as solar power, as part of a balanced approach to meeting our region’s growing energy demand,” said Lloyd Yates, president and chief executive officer of Progress Energy Carolinas. “This project continues our long history of partnering with local communities, and we are pleased to help advance this innovative technology.”

The Raleigh City Council voted unanimously July 7, 2009, to authorize city staff to begin negotiating a lease agreement with NxGen Power for about 10 acres at the NRWWTP, located at the northwest corner of Brownfield and Battlebridge roads. No city capital investment will be required for this project. The lease agreement will return to the Raleigh City Council for a final vote later this year.

The proposed solar PV array is expected to come online in early 2010 and will generate about 1.7 million kilowatt-hours (kWh) of electricity per year, reducing carbon dioxide emissions by more than 1,300 tons annually. This is equivalent to the carbon dioxide emissions from the use of about 140,000 gallons of gasoline.

Michael Byrnes, president and chief executive officer of NxGen Power, said, “North Carolina has a unique opportunity to lead the Southeast in renewable energy implementation and innovation. We are proud to partner with the City of Raleigh, Progress Energy and Southern Energy Management to help forge the way.”

“We have seen solar go from an extreme idea to something homeowners, homebuilders, businesses and now even cities and government leaders are recognizing as a viable mainstream option,” said Bob Kingery, co-founder of Southern Energy. “As a local company that started in Raleigh in a living room in 2001, we are humbled to have the opportunity to partner with our home city at the ground level to help advance their sustainability initiatives and increase the availability of renewable energy in our state.”

Southern Energy, based in Morrisville, recently completed installing two other megawatt-size solar arrays in the state. Southern Energy anticipates creating 13 to 15 new local jobs through the construction phase of the solar array.

The city and Progress Energy Carolinas, which is headquartered in Raleigh, have already partnered on several “green” initiatives. These include installing energy-efficient LED streetlights and preparing the city for electric vehicles through the NC Get Ready project.

“Advancing our sustainability is a top City of Raleigh priority,” Raleigh Mayor Charles Meeker said following the council’s approval to pursue a lease agreement. “I am delighted that we can partner with Progress Energy, Southern Energy and NxGen Power to advance this technology and reduce carbon emissions.”

In 2008, Raleigh’s Public Utilities Department, which already leads many of the city’s sustainability efforts, started investigating solar PV generation and determined the NRWTP site was a potential location for an array. This was done with the assistance of Mike Nicklas of Innovative Design, an internationally known and environmentally sensitive architectural firm based in Raleigh and the winner of the city’s 2009 Pioneering Environmental Award.

The city invited several experienced solar power developers to provide a project bid in response to Progress Energy Carolinas’ request for renewable energy proposals, issued initially in November 2007. The company’s request is designed to meet the requirements of North Carolina’s Renewable Energy and Efficiency Portfolio Standard, passed in 2007. After an extensive evaluation process, Progress Energy Carolinas accepted Southern Energy’s proposal.

About Progress Energy:

Progress Energy, headquartered in Raleigh, N.C., is a Fortune 250 energy company with more than 21,000 megawatts of generation capacity and \$9 billion in annual revenues. The company will observe a century of operation in 2008. Progress Energy includes two major utilities that serve 3.1 million customers in the Carolinas and Florida. Progress Energy is the 2006 recipient of the Edison Electric Institute's Edison Award, the industry's highest honor, in recognition of its operational excellence. The company also is the first utility to receive the prestigious J.D. Power and Associates Founder's Award for customer service. Progress Energy serves two fast-growing areas of the country, and the company is pursuing a balanced approach to meeting the future energy needs of the region. That balance includes increased energy-efficiency programs, investments in renewable energy technologies and a state-of-the-art electricity system. For more information about Progress Energy, visit the company’s Web site at www.progress-energy.com.

About NxGen Power:

NxGen Power, LLC is a developer and operator of renewable energy facilities. NxGen Power utilizes strategic partnerships and institutional investors to help utility, government, school and commercial customers meet their renewable energy goals without the upfront cost. The company works to educate and to provide customers the opportunity to harness the power of the sun through the use of solar energy and other innovative technologies. NxGen Power is changing the dynamic of energy use by building clean, sustainable, distributed generation facilities and producing power where the power is being used. The company is headquartered in Charlotte, N.C. For more information, visit www.nxgenpower.com.

About Southern Energy:

Southern Energy, based in Morrisville, N.C., is a leading sustainable energy company delivering energy efficiency, green building and turn-key solar services to homeowners, homebuilders, companies and government agencies across the Southeast. Southern Energy's two-part mission is to have a measurable impact on reducing greenhouse gas emissions that contribute to climate change, and to build a sustainable triple-bottom-line company. Southern Energy employs a team of about 50 sustainable energy professionals working from offices in Morrisville, Charlotte and Greenville, S.C. SEM is consistently recognized as an industry leader both locally and nationally, and was among a handful of companies in the U.S. to earn the National Energy Star Partner of the Year award three years in a row in 2007, 2008 and 2009. Southern Energy was also recently presented with the 2009 City of Raleigh Market Transformation Award. For more information, visit www.southern-energy.com.

About the City of Raleigh:

The City of Raleigh provides the complete range of governmental services including police and fire protection, transportation services such as transit and street construction and maintenance, a comprehensive solid waste and recycling program and a vast array of environmental services, water and sanitary sewer services, parks, recreation and cultural services that make Raleigh ubiquitous among America's "best cities" lists. Raleigh Public Utilities Department not only serves Raleigh with water and sewer service but also the Towns of Garner, Rolesville, Wake Forest, Knightdale, Wendell and Zebulon.

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Media Contacts:

Progress Energy Carolinas: 877-641-6397

City of Raleigh: 919-996-3100

Southern Energy: 855-575-9151

NxGen Power: 704-800-7410