

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **1994-01-19** | Period of Report: **1994-01-19**
SEC Accession No. **0000950120-94-000012**

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FILER

CAROLINA POWER & LIGHT CO

CIK: **17797** | IRS No.: **560165465** | State of Incorporation: **NC** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-03382** | Film No.: **94501966**
SIC: **4911** Electric services

Business Address
411 FAYETTEVILLE ST
RALEIGH NC 27601
9195466111

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) January 19, 1994

CAROLINA POWER & LIGHT COMPANY

(exact name of registrant as specified in its charter)

North Carolina

1-3382

56-0165465

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

411 Fayetteville Street, Raleigh, North Carolina 27601

(Address of principal executive offices)

Registrant's telephone number, including area code (919) 546-6111

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) No financial statements are filed herewith.

(b) No pro forma financial information is filed herewith.

(c) Exhibits

-Underwriting Agreement dated as of January 12, 1994.

-Sixty-second Supplemental Indenture dated as of January 15, 1994.

-Computation of Ratio of Earnings to Fixed Charges.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAROLINA POWER & LIGHT COMPANY

Registrant

By: /s/ Charles D. Barham, Jr.

Charles D. Barham, Jr.
Executive Vice President

Date: January 19, 1994

CAROLINA POWER & LIGHT COMPANY

First Mortgage Bonds

UNDERWRITING AGREEMENT

January 12, 1994

To the Representative named in Schedule I hereto
of the Underwriters named in Schedule II hereto

Dear Sirs:

The undersigned Carolina Power & Light Company (the "Company") hereby confirms its agreement with each of the several Underwriters hereinafter named as follows:

1. Underwriters and Representative. The term "Underwriters" as used

herein shall be deemed to mean the firm or corporation or the several firms or corporations named in Schedule II hereto and any underwriter substituted as provided in paragraph 6 and the term "Underwriter" shall be deemed to mean one of such Underwriters. If the firm or firms listed in Schedule I hereto (the "Representative") are the same as the firm or firms listed in Schedule II hereto, then the terms "Underwriters" and "Representative", as used herein, shall each be deemed to refer to such firm or firms. The Representative represents that it has been authorized by the Underwriters to execute this Agreement on their behalf and to act for them in the manner herein provided. All obligations of the Underwriters hereunder are several and not joint. If more than one firm is named in Schedule I hereto, any action under or in respect of this Agreement may be taken by such firms jointly as the Representative or by one of the firms acting on behalf of the Representative and such action will be binding upon all the Underwriters.

2. Description of Securities. The Company proposes to issue and

sell its First Mortgage Bonds of the designation, with the terms and in the amount specified in Schedule I hereto (the "Securities"), under its Mortgage and Deed of Trust, dated as of May 1, 1940, with The Bank of New York (formerly Irving Trust Company) and Frederick G. Herbst (W. T. Cunningham, successor), as Trustees, as supplemented and as it will be further supplemented by a Supplemental Indenture relating to the Securities (the "Supplemental Indenture"), in substantially the form heretofore

delivered to the Representative, said Mortgage and Deed of Trust as supplemented and to be supplemented by the Supplemental Indenture being hereinafter referred to as the "Mortgage".

3. Representations and Warranties of the Company. The Company

represents and warrants to each of the Underwriters that:

(a) The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 33-50597), including a combined prospectus ("registration statement No. 33-50597"), for the registration of the Securities under the Securities Act of 1933, as amended (the "Securities Act"), and the qualification of the Mortgage under the Trust Indenture Act of 1939, as amended (the "1939 Act"). Registration statement No. 33-50597 has been declared effective by the Commission and the Mortgage has been qualified under the 1939 Act. The Company has also filed with the Commission a registration statement on Form S-3 (No.33-60014) ("registration statement No. 33-60014"), which was declared effective by the Commission on March 31, 1993, for the registration of \$400,000,000 principal amount of First Mortgage Bonds, of which an aggregate of \$300,000,000 principal amount has been previously issued. Registration statement No. 33-50597, as amended to the date hereof, together with the registration statement No. 33-60014 as amended to the date hereof, including, in each case, the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act (the "Incorporated Documents"), is hereinafter collectively referred to as the "Registration Statement". The combined prospectus forming a part of the registration statement No. 33-50597, as it is to be supplemented by a prospectus supplement, dated on or about the date hereof, relating to the Securities, and all prior amendments or supplements thereto (other than amendments or supplements relating to First Mortgage Bonds other than the Securities), including the Incorporated Documents, is hereinafter referred to as the "Prospectus". Any reference herein to the terms "amend", "amendment" or "supplement" with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing of any document under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), deemed to be incorporated therein after the date hereof and prior to the termination of the offering of the Securities by the Underwriters and any references herein to the terms "Registration Statement" or "Prospectus" at a date after the date hereof shall be deemed to refer to the Registration Statement or the Prospectus, as the case may be, as each may be amended or supplemented to such date.

(b) Prior to the termination of the offering of the Securities, the Company will not file any amendment to the Registration Statement or supplement to the Prospectus which shall not have previously been furnished to the Representative or of which the Representative shall not previously have been advised or to which the Representative shall

reasonably object in writing and which has not been approved by Winthrop, Stimson, Putnam & Roberts, who are acting as counsel on behalf of the Underwriters.

(c) The Registration Statement, at the time and date it was declared effective by the Commission, complied and the Registration Statement, the Prospectus and the Mortgage, at the date the Prospectus is filed with, or transmitted for filing to, the Commission pursuant to Rule 424 under the Securities Act ("Rule 424") and at the Closing Date, will comply in all material respects, with the applicable provisions of the Securities Act and the 1939 Act and the applicable rules and regulations of the Commission thereunder; the Registration Statement, at the time and date it was declared effective by the Commission, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and the Prospectus, at the date it is filed with, or transmitted for filing to, the Commission pursuant to Rule 424 and at the Closing Date, did not and will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the foregoing representations and warranties in this subparagraph (c) shall not apply to statements or omissions made in reliance upon and in conformity with information furnished herein or in writing to the Company by the Representative or by or on behalf of any Underwriter through the Representative expressly for use in the Registration Statement or the Prospectus or to any statements in or omissions from the Statements of Eligibility (Forms T-1 and T-2) of the Trustees under the Mortgage. The Incorporated Documents, when they were filed with the Commission, complied in all material respects with the applicable requirements of the Exchange Act and the rules and regulations of the Commission thereunder, and any documents so filed and incorporated by reference subsequent to the date hereof and prior to the termination of the offering of the Securities by the Underwriters will, when they are filed with the Commission, comply in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder; and, when read together with the Registration Statement and the Prospectus, none of such documents included or includes or will include any untrue statement of a material fact or omitted or omits or will omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) The financial statements incorporated by reference in the Registration Statement present fairly the financial condition and operations of the Company at the respective dates or for the respective periods to which they apply; such financial statements have been prepared in each case in accordance with generally accepted accounting principles consistently applied throughout the periods

involved; and Deloitte & Touche, who have audited certain of the financial statements, are independent public or independent certified public accountants as required by the Securities Act or the Exchange Act and the rules and regulations of the Commission thereunder.

(e) Except as reflected in, or contemplated by, the Registration Statement and the Prospectus, since the respective dates as of which information is given in the Registration Statement and Prospectus, and prior to the Closing Date, there has not been any material adverse change in the business, property or financial condition of the Company and since such dates and prior to the Closing Date, there has not been any material transaction entered into by the Company other than transactions contemplated by the Registration Statement and Prospectus and transactions in the ordinary course of business. The Company has no material contingent obligation which is not disclosed in the Registration Statement and Prospectus.

(f) The consummation of the transactions herein contemplated and the fulfillment of the terms hereof on the part of the Company to be fulfilled have been duly authorized by all necessary corporate action of the Company in accordance with the provisions of its charter (the "Charter"), by-laws and applicable law, and the Securities, when issued and delivered as provided herein, will constitute legal, valid and binding obligations of the Company in accordance with their terms except as limited by bankruptcy, insolvency or other laws affecting mortgagees' and other creditors' rights and general equitable principles.

(g) The consummation of the transaction herein contemplated and the fulfillment of the terms hereof will not result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party.

(h) The summary of the terms of the Securities contained in the Registration Statement and Prospectus fairly describes the provisions thereof required to be described by the registration statement form.

4. Purchase and Sale. On the basis of the representations,

warranties and covenants herein contained, but subject to the terms and conditions herein set forth, the Company agrees to sell to each of the Underwriters, severally and not jointly, and each such Underwriter agrees, severally and not jointly, to purchase from the Company, the respective principal amount of Securities set forth opposite the name of such Underwriter in Schedule II hereto at the purchase price set forth in Schedule I hereto.

5. Reoffering by Underwriters. The Underwriters agree to

make promptly a bona fide public offering of the Securities to the public

for sale as set forth in the Prospectus, subject, however, to the terms and conditions of this Agreement.

6. Time and Place of Closing; Default of Underwriters.

(a) Payment for the Securities shall be made at the place, time and date specified in Schedule I hereto against delivery of the Securities at the office of The Bank of New York, Corporate Trust Department, 101 Barclay Street, New York, New York, or such other place, time and date as the Representative and the Company may agree. The hour and date of such delivery and payment are herein called the "Closing Date". Payment for the Securities shall be by certified or official bank check or checks in New York Clearing House or similar next day funds against delivery to the Representative for the respective accounts of the Underwriters of certificates for the Securities to be purchased by them. Certificates for the Securities shall be delivered to the Representative for the respective accounts of the Underwriters in such names and denominations as the Representative shall specify not later than the close of business on the third full business day before the Closing Date. For the purpose of expediting the checking of the certificates by the Representative, the Company agrees to make the Securities available to the Representative not later than 10 A.M., on the last full business day prior to the Closing Date at said office of The Bank of New York.

(b) If one or more of the Underwriters shall, for any reason permitted hereunder, cancel its obligation to purchase hereunder and to take up and pay for the principal amount of the Securities to be purchased by such one or more Underwriters, the Company shall immediately notify the Representative, and the remaining Underwriters shall have the right, within 24 hours of receipt of such notice, either to take up and pay for (in such proportion as may be agreed upon among them) or to substitute another Underwriter or Underwriters, satisfactory to the Company, to take up and pay for the principal amount of the Securities which such one or more Underwriters did not purchase. If one or more Underwriters shall, for any reason other than a reason permitted hereunder, fail to take up and pay for the principal amount of the Securities to be purchased by such one or more Underwriters, the Company shall immediately notify the Representative, and the remaining Underwriters shall be obligated to take up and pay for (in addition to the respective principal amount of the Securities set forth opposite their respective names in Schedule II hereto), the principal amount of the Securities which such defaulting Underwriter or Underwriters failed to take up and pay for, up to a principal amount thereof equal to, in the case of each such remaining Underwriter, ten percent (10%) of the principal amount of the Securities set forth opposite the name of such remaining Underwriter in said Schedule II, and such remaining Underwriters shall have the right, within 24 hours of receipt of such notice, either to take up and pay for (in such proportion as may be agreed upon among them), or

to substitute another Underwriter or Underwriters, satisfactory to the Company, to take up and pay for, the remaining principal amount of the Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase. If any unpurchased Securities still remain, then the Company or the Representative shall be entitled to an additional period of 24 hours within which to procure another party or parties, members of the National Association of Securities Dealers, Inc. (or if not members of such Association, who are not eligible for membership in said Association and who agree (i) to make no sales within the United States, its territories or its possessions or to persons who are citizens thereof or residents therein and (ii) in making sales to comply with said Association's Rules of Fair Practice) and satisfactory to the Company, to purchase or agree to purchase such unpurchased Securities on the terms herein set forth. In any such case either the Representative or the Company shall have the right to postpone the Closing Date for a period not to exceed three full business days from the date agreed upon in accordance with this paragraph 6, in order that the necessary changes in the Registration Statement and Prospectus and any other documents and arrangements may be effected. If the Representative and the Company shall fail to procure a satisfactory party or parties as above provided to purchase or agree to purchase such unpurchased Securities, then the Company may either (i) require the remaining Underwriters to purchase the principal amount of Securities which they are obligated to purchase hereunder or (ii) terminate this Agreement by giving prompt notice to the Representative. In the event that neither the non-defaulting Underwriters nor the Company has arranged for the purchase of such unpurchased Securities by another party or parties as above provided and the Company has not elected to require the non-defaulting Underwriters to purchase the principal amount of Securities which they are obligated to purchase hereunder, then this Agreement shall terminate without any liability on the part of the Company or any Underwriter (other than an Underwriter which shall have failed or refused, in accordance with the terms hereof, to purchase and pay for the principal amount of the Securities which such Underwriter has agreed to purchase as provided in paragraph 4 hereof), except as otherwise provided in paragraph 7 and paragraph 8 hereof.

7. Covenants of the Company. The Company covenants with

each Underwriter that:

(a) As soon as possible after the execution and delivery of this Agreement, the Company will file the Prospectus with the Commission pursuant to Rule 424, setting forth, among other things, the necessary information with respect to the terms of offering of the Securities. The Company will promptly deliver to the Representative and to counsel for the Underwriters one fully executed copy or one conformed copy, certified by an officer of the Company, of registration statement No. 33-50597 and one fully executed copy or one conformed copy certified by an officer of the Company, of registration

statement No. 33-60014, each as originally filed and of all amendments thereto, heretofore or hereafter made, which relate to the Securities, including any post-effective amendment (in each case including all exhibits filed therewith and all documents incorporated therein not previously furnished to the Representative), including signed copies of each consent and certificate included therein or filed as an exhibit thereto, and will deliver to the Representative for distribution to the Underwriters as many conformed copies of the foregoing (excluding the exhibits, but including all documents incorporated therein) as the Representative may reasonably request. The Company will also send to the Underwriters as soon as practicable after the date of this Agreement and thereafter from time to time as many copies of the Prospectus as the Representative may reasonably request for the purposes required by the Securities Act.

(b) During such period (not exceeding nine months) after the commencement of the offering of the Securities as the Underwriters may be required by law to deliver a Prospectus, if any event relating to or affecting the Company, or of which the Company shall be advised in writing by the Representative shall occur, which in the Company's opinion should be set forth in a supplement to or an amendment of the Prospectus in order to make the Prospectus not misleading in the light of the circumstances when it is delivered to a purchaser, or if it is necessary to amend the Prospectus to comply with the Securities Act, the Company will forthwith at its expense prepare and furnish to the Underwriters and dealers named by the Representative a reasonable number of copies of a supplement or supplements or an amendment or amendments to the Prospectus which will supplement or amend the Prospectus so that as supplemented or amended it will comply with the Securities Act and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances when the Prospectus is delivered to a purchaser, not misleading. In case any Underwriter is required to deliver a Prospectus after the expiration of nine months after the commencement of the offering of the Securities, the Company, upon the request of the Representative, will furnish to the Representative, at the expense of such Underwriter, a reasonable quantity of a supplemented or amended prospectus, or supplements or amendments to the Prospectus, complying with Section 10(a) of the Securities Act.

(c) The Company will make generally available to its security holders, as soon as reasonably practicable, but in any event not later than 16 months after the end of the fiscal quarter in which the filing of the Prospectus pursuant to Rule 424 occurs, an earnings statement (in form complying with the provisions of Section 11(a) of the Securities Act, which need not be certified by independent public accountants) covering a period of twelve months beginning not later than the first day of the Company's fiscal quarter next following the filing of the Prospectus pursuant to Rule 424.

(d) The Company will use its best efforts promptly to do and perform all things to be done and performed by it hereunder prior to the Closing Date and to satisfy all conditions precedent to the delivery by it of the Securities.

(e) The Company will advise the Representative promptly of the filing of the Prospectus pursuant to Rule 424 and of any amendment or supplement to the Prospectus or Registration Statement or of official notice of institution of proceedings for, or the entry of, a stop order suspending the effectiveness of the Registration Statement and, if such a stop order should be entered, use its best efforts to obtain the prompt removal thereof.

(f) The Company will use its best efforts to qualify the Securities, for offer and sale under the Blue Sky or legal investment laws of such jurisdictions as the Representative may designate, and will file and make in each year such statements or reports as are or may be reasonably required by the laws of such jurisdictions; provided, however, that the Company shall not be required to qualify as a foreign corporation or dealer in securities, or to file any general consents to service of process under the laws of any jurisdiction. The fees and disbursements of Winthrop, Stimson, Putnam & Roberts, who are acting as counsel on behalf of the Underwriters for the purposes of this Agreement, shall be paid by the Underwriters (subject, however, to the provisions of paragraph 8 requiring payment by the Company of fees and expenses not to exceed \$5,000); provided, however, that if this Agreement is terminated in accordance with the provisions of paragraph 9, 10 or 12, the Company shall reimburse the Representative for the account of the Underwriters for the amount of such counsel fees and disbursements. The Company shall not be required to pay any amount for any expenses of the Representative or of any other of the Underwriters except as provided in this paragraph 7 and in paragraph 8. The Company shall not in any event be liable to any of the Underwriters for damages on account of the loss of anticipated profit.

8. Payment of Expenses. The Company will pay all expenses

incident to the performance of its obligations under this Agreement, including (i) the printing and filing of the Registration Statement and the printing of this Agreement, (ii) the delivery of the Securities to the Underwriters, (iii) the fees and disbursements of the Company's counsel and accountants, (iv) the expenses in connection with the qualification of the Securities under securities laws in accordance with the provisions of paragraph 7(f), including filing fees and the fees and disbursements of counsel for the Underwriters in connection therewith, and in connection with the preparation of the Blue Sky Survey and Legality Memorandum, such fees and disbursements not to exceed \$5,000, (v) the printing and delivery to the Underwriters of copies of the Registration Statement and all amendments thereto, of the preliminary prospectuses, and of the Prospectus and any amendments or supplements thereto, (vi) the printing and delivery

to the Underwriters of copies of the Blue Sky Survey and Legality Memorandum, and (vii) the preparation, execution, filing and recording by the Company of the Supplemental Indenture relating to the Securities (such filing and recordation to be promptly made, after execution and delivery of the Supplemental Indenture to the Trustees, in the counties in which the mortgaged property of the Company is located); and the Company will pay all taxes, if any (but not including any transfer taxes), on the issue of the Securities and the filing and recordation of the Supplemental Indenture.

9. Conditions of Underwriters' Obligations. The several obligations

of the Underwriters to purchase and pay for the Securities shall be subject to the accuracy of the representations and warranties on the part of the Company, to the performance by the Company of its obligations to be performed hereunder prior to the Closing Date, and to the following further conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date and no proceedings for that purpose shall be pending before, or threatened by, the Commission on the Closing Date, and the Representative shall have received, prior to payment for the Securities, a certificate dated the Closing Date and signed by the Chairman, President or a Vice President of the Company to the effect that no such stop order is in effect and that no proceedings for such purpose are pending before or, to the knowledge of the Company, threatened by the Commission.

(b) Prior to 12 Noon, New York Time, on the day following the date of this Agreement, or such later date as shall have been consented to by the Representative, there shall have been issued and on the Closing Date there shall be in full force and effect orders of the North Carolina Utilities Commission and the South Carolina Public Service Commission authorizing the issuance and sale of the Securities, none of which shall contain any provision unacceptable to the Representative by reason of its being materially adverse to the Company (it being understood that no such order in effect on the date of this Agreement and heretofore furnished to the Representative or to Winthrop, Stimson, Putnam & Roberts, Counsel for the Underwriters, contains any such unacceptable provision).

(c) At the Closing Date, the Representative shall receive favorable opinions from: (1) Reid & Priest, of counsel to the Company, which opinion shall be satisfactory in form and substance to Winthrop, Stimson, Putnam & Roberts, Counsel for the Underwriters, and (2) Winthrop, Stimson, Putnam & Roberts, in each of which opinions said counsel may rely as to all matters of North Carolina and South Carolina law upon the opinions of Richard E. Jones, Esq., Senior Vice President, General Counsel and Secretary for the Company, and Messrs. Paulling & James, respectively, to the effect that:

(i) The Mortgage has been duly and validly authorized

by all necessary corporate action, has been duly and validly executed and delivered, and is a valid and binding mortgage of the Company enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws affecting mortgagees' and other creditors' rights and general equitable principles;

(ii) The Mortgage has been duly qualified under the 1939 Act;

(iii) The Securities are legal, valid and binding obligations of the Company enforceable in accordance with their terms, except as limited by bankruptcy, insolvency or other laws affecting mortgagees' and other creditors' rights and general equitable principles, are entitled to the benefit of the security afforded by the Mortgage, and are secured equally and ratably with all other bonds outstanding under the Mortgage except insofar as any sinking or other fund may afford additional security for the bonds of any particular series;

(iv) The statements made in the Prospectus under the captions "Description of the New Bonds" and "Certain Terms of the Offered Bonds", insofar as they purport to constitute summaries of the documents referred to therein, constitute accurate summaries of the terms of such documents in all material respects.

(v) This Agreement has been duly and validly authorized, executed and delivered by the Company;

(vi) The Registration Statement, at the time and date it was declared effective by the Commission, and the Prospectus, at the time it was filed with, or transmitted for filing to, the Commission pursuant to Rule 424 (except as to the financial statements and other financial and statistical data constituting a part thereof or incorporated by reference therein, upon which such opinions need not pass), complied as to form in all material respects with the requirements of the Securities Act and the 1939 Act and the applicable instructions, rules and regulations of the Commission thereunder; the documents or portions thereof filed with the Commission pursuant to the Exchange Act and deemed to be incorporated by reference in the Registration Statement and the Prospectus pursuant to Item 12 of Form S-3 (except as to financial statements and other financial and statistical data constituting a part thereof or incorporated by reference therein, upon which such opinions need not pass), at the time they were filed with the Commission, complied as to form in all material respects with the requirements of the Exchange Act and the applicable instructions, rules and regulations of the Commission thereunder; the Registration Statement has become, and at the Closing Date is, effective under the Securities Act and, to the

best of the knowledge of said counsel, no proceedings for a stop order with respect thereto are threatened or pending under Section 8 of the Securities Act;

(vii) Nothing has come to the attention of said counsel that would lead them to believe that the Registration Statement, at the time and date it was declared effective by the Commission, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, at the time it was filed with, or transmitted for filing to, the Commission pursuant to Rule 424 or at the Closing Date, included or includes an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except as to financial statements and other financial and statistical data constituting a part of the Registration Statement or the Prospectus or incorporated by reference therein, upon which such opinions need not pass);

(viii) Orders have been entered by the North Carolina Utilities Commission and the South Carolina Public Service Commission authorizing the issuance and sale of the Securities, and to the best of the knowledge of said counsel, said orders are still in force and effect; and no further approval, authorization, consent or other order of any public board or body (other than in connection or in compliance with the provisions of the blue sky laws of any jurisdiction) is legally required for the issuance and sale of the Securities.

(d) At the Closing Date, the Representative shall receive from Richard E. Jones, Esq., Senior Vice President, General Counsel and Secretary for the Company, a favorable opinion in form and substance satisfactory to Winthrop, Stimson, Putnam & Roberts, Counsel for the Underwriters, to the same effect with respect to the matters enumerated in subdivisions (i) through (v) and subdivisions (vii) and (viii) of subparagraph (c) of this paragraph 9 as the opinions required by said subparagraph (c), and to the further effect that:

(i) The Company is a validly organized and existing corporation and is in good standing under the laws of the State of North Carolina and is qualified to do business and is doing business in that State and in the State of South Carolina;

(ii) The Company is duly authorized by its Charter to conduct the business which it is now conducting as set forth in the Prospectus;

(iii) The Company has valid franchises, licenses and permits free from burdensome restrictions and adequate for the conduct of

its business;

(iv) The information contained in the Prospectus, which is stated therein to have been made in reliance upon the opinion of said counsel, has been reviewed by said counsel and is correct;

(v) The Company has good and marketable title, with minor exceptions, restrictions and reservations in conveyances, and defects, which are of the nature ordinarily found in properties of similar character and magnitude, and which, in his opinion, cannot in any substantial way impair the security afforded by the Mortgage, to all the properties described in the granting clauses of the Mortgage and upon which the Mortgage purports to create a lien, except certain rights-of-way over private property on which are located transmission and distribution lines formerly owned by the Tide Water Power Company (merged into the Company on February 29, 1952), title to which can be perfected by condemnation proceedings. The description in the Mortgage of the above-mentioned properties (including those formerly owned by Tide Water Power Company) is legally sufficient to constitute the Mortgage a lien thereon. Said properties constitute substantially all the permanent physical properties and franchises of the Company and are held by the Company free and clear of all liens and encumbrances except the lien of the Mortgage and Excepted Encumbrances, as defined in the Mortgage. The Company has followed the practice generally of purchasing rights-of-way and easements and certain small parcels of fee property appurtenant thereto and for use in conjunction therewith, and certain other properties of small or inconsequential value, without an examination of title and, as to the title to lands affected by rights-of-way and easements, of not examining the title of the lessor or grantor whenever the lands affected by such rights-of-way and easements are not of such substantial value as in the opinion of the Company to justify the expense attendant upon examination of titles in connection therewith. In his opinion such practice of the Company is consistent with good practice and with the method followed by other companies engaged in the same business and is reasonably adequate to assure the Company of good and marketable title to all such property acquired by it. It is his opinion that any such conditions or defects as may be covered by the above recited exceptions are not, except as to certain rights-of-way on which are located transmission lines acquired from Tide Water Power Company, substantial and would not interfere with the Company's business operations. The Company has the right of eminent domain in the States of North Carolina and South Carolina under which it may, if necessary, perfect or obtain title to privately owned land or acquire easements or rights-of-way required for use or used by the Company in its public utility operations;

(vi) The Company's Mortgage and Deed of Trust dated as of May 1, 1940 and the First through the Sixty-first Supplemental Indentures thereto have been filed for record both as a real estate mortgage and as a chattel mortgage or security interest in all counties in the states of North Carolina and South Carolina in which any of the property described in the Mortgage as subject thereunder to the lien thereof is located; and the Supplemental Indenture relating to the Securities is in proper form for filing for record both as a real estate mortgage and as a security interest in all counties in the States of North Carolina and South Carolina in which any of the property described therein or in the Mortgage as subject to the lien of the Mortgage is located;

(vii) The Mortgage constitutes a valid first mortgage lien of record upon all the franchises and properties now owned by the Company (other than those expressly excepted therefrom) situated in the States of North Carolina and South Carolina, as described or referred to in the granting clauses of the Mortgage, subject to the exceptions as to bankruptcy, insolvency and other laws stated in subdivision (i) of subparagraph (c) above;

(viii) The issuance and sale of the Securities have been duly authorized by all necessary corporate action the part of the Company.

In said opinion such counsel may rely as to all matters of South Carolina law on the opinion of Messrs. Paulling & James.

(e) At the Closing Date, the Representative shall receive from Messrs. Paulling & James, Darlington, South Carolina, a favorable opinion in form and substance satisfactory to Winthrop, Stimson, Putnam & Roberts, Counsel for the Underwriters, to the effect that:

(i) The Company is duly qualified to engage in the business in which it is engaged in the State of South Carolina;

(ii) The Company has good and sufficient title to all the properties in South Carolina now owned by it and described in and as subject to the lien of the Mortgage (except possibly certain transmission line rights-of-way, titles to which may be subject to defects and irregularities which can be cured, if necessary, under the eminent domain laws of South Carolina), subject only to Excepted Encumbrances, as defined in the Mortgage, and to minor defects and irregularities customarily found in properties of like size and character and which, in their opinion, do not materially impair the use of the property affected thereby in the operation of the business of the Company; the description of said properties set forth in the Mortgage is adequate to constitute the Mortgage a lien thereon; the Mortgage constitutes a valid, direct first mortgage lien upon said properties, which include

substantially all the permanent physical properties and franchises of the Company in South Carolina (other than those expressly excepted), subject only to the exceptions enumerated above;

(iii) The Company holds valid and subsisting franchises, licenses and permits in South Carolina authorizing it to carry on the utility business in which it is engaged in South Carolina; and

(iv) They have reviewed the opinion letter of even date therewith addressed to you by Richard E. Jones, Esq., Senior Vice President, General Counsel and Secretary for the Company, and they concur in the opinions which he has expressed therein insofar as they relate to the laws of the State of South Carolina.

(f) At the time of execution of this Agreement and at the Closing Date, the Representative shall have received from Deloitte & Touche letters, dated respectively the date of this Agreement and the Closing Date, confirming that they are independent certified public accountants within the meaning of the Securities Act and the Exchange Act, and of the applicable published rules and regulations thereunder, and stating in effect that: (i) in their opinion, the audited financial statements incorporated by reference in the Registration Statement comply as to form in all material respects with the applicable accounting requirements of the Securities Act or the Exchange Act, as applicable, and of the published rules and regulations thereunder; (ii) based on the performance of the procedures specified by the American Institute of Certified Public Accountants for review of interim financial information as described in Statement on Auditing Standards "SAS" No. 71, Interim Financial Information, on the unaudited financial statements, included in the Company's quarterly reports on Form 10-Q for the quarters ended March 31, 1993, June 30, 1993 and September 30, 1993 incorporated by reference in the Registration Statement, inquiries of officials of the Company responsible for financial and accounting matters and reading the minutes of meetings of the Board of Directors, of the Executive Committee of the Board of Directors and of the shareholders, nothing came to their attention that caused them to believe that (A) the unaudited financial statements incorporated by reference in the Registration Statement do not comply as to form in all material respects with the applicable accounting requirements of the Securities Act or the Exchange Act, as applicable, and the published rules and regulations thereunder or any material modifications should be made for them to be in conformity with generally accepted principles applied on a basis substantially consistent with that of the most recent audited financial statements incorporated by reference in the Registration Statement; or (B) at the date of the latest available interim balance sheet read by them and at a subsequent date not more than five days prior to the date of each such letter, there was any

change in the capital stock or long-term debt of the Company, or at the date of the latest available interim balance sheet read by them, there was any decrease in net assets as compared with the amount shown on the most recent balance sheet incorporated by reference in the Registration Statement, except for changes or decreases that the Registration Statement discloses have occurred or may occur, for declarations of dividends, for common stock sales under the Automatic Dividend Reinvestment and Customer Stock Ownership Plan and Stock Purchase-Savings Plan, or for changes or decreases that are described in such letter; and (iii) covering such other matters as the Representative shall reasonably request.

(g) At the Closing Date, the Representative shall receive a certificate of the Chairman, President or a Vice President of the Company, dated the Closing Date, to the effect that the representations and warranties of the Company in this Agreement are true and correct as of the Closing Date.

(h) All legal proceedings taken in connection with the sale and delivery of the Securities shall have been satisfactory in form and substance to Winthrop, Stimson, Putnam & Roberts, Counsel for the Underwriters.

In case any of the conditions specified above in this paragraph 9 shall not have been fulfilled at the Closing Date, this Agreement may be terminated by the Representative by mailing or delivering written notice thereof to the Company. Any such termination shall be without liability of any party to any other party except as otherwise provided in paragraphs 7 and 8.

10. Conditions of the Company's Obligations. The obligations of the

Company to deliver the Securities shall be subject to the following conditions:

(a) No stop order suspending the effectiveness of the Registration Statement shall be in effect on the Closing Date, and no proceedings for that purpose shall be pending before or threatened by the Commission on the Closing Date.

(b) Prior to 12 Noon, New York Time, on the day following the date of this Agreement, or such later date as shall have been consented to by the Company, there shall have been issued and on the Closing Date there shall be in full force and effect orders of the North Carolina Utilities Commission and the South Carolina Public Service Commission authorizing the issuance and sale by the Company of the Securities, none of which shall contain any provision unacceptable to the Company by reason of its being materially adverse to the Company (it being understood that no such order in effect as of the date of this Agreement contains any such unacceptable provision).

In case any of the conditions specified in this paragraph 10 shall not have been fulfilled at the Closing Date, this Agreement may be terminated by the Company by mailing or delivering written notice thereof to the Representative. Any such termination shall be without liability of any party to any other party except as otherwise provided in paragraphs 7 and 8.

11. Indemnification.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person who controls any Underwriter within the meaning of Section 15 of the Securities Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or under any other statute or common law and to reimburse each such Underwriter and controlling person for any legal or other expenses (including to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages or liabilities or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement, or alleged untrue statement, of a material fact contained in the Registration Statement, any preliminary prospectus or the Prospectus, or in the Registration Statement or Prospectus as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that the indemnity agreement contained in this paragraph 11 shall not apply to any such losses, claims, damages, liabilities, expenses or actions arising out of, or based upon any such untrue statement or alleged untrue statement, or any such omission or alleged omission, if such statement or omission was made in reliance upon information furnished herein or in writing to the Company by any Underwriter or through the Representative on behalf of such Underwriter for use in the Registration Statement or Prospectus, or any amendment or supplement to either thereof, or arising out of, or based upon, statements in or omissions from that part of the Registration Statement which shall constitute the Statements of Eligibility under the 1939 Act (Forms T-1 and T-2) of the Trustees under the Mortgage, and provided, further, that the indemnity agreement contained in this paragraph 11 shall not inure to the benefit of any Underwriter (or of any person controlling such Underwriter) on account of any such losses, claims, damages, liabilities, expenses or actions arising from the sale of the Securities to any person if a copy of the Prospectus (excluding documents incorporated by reference therein) shall not have been given or sent to such person by or on behalf of such Underwriter with or prior to the written confirmation of the sale involved. The indemnity agreement of the Company contained in this paragraph 11 and the representations and warranties of the Company contained in paragraph 3 hereof shall remain operative and in full force and effect regardless

of any investigation made by or on behalf of any Underwriter or any such controlling person and shall survive the delivery of the Securities. The Underwriters agree to notify promptly the Company, and each other Underwriter, of the commencement of any litigation or proceedings against them or any of them, or any such controlling person, in connection with the sale of the Securities.

(b) Each Underwriter agrees to indemnify and hold harmless the Company, its officers and directors, each other Underwriter, and each person who controls any thereof within the meaning of Section 15 of the Securities Act, against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act or under any other statute or common law, and to reimburse each of them for any legal or other expenses (including, to the extent hereinafter provided, reasonable counsel fees) incurred by them in connection with investigating any such losses, claims, damages, or liabilities, or in connection with defending any actions, insofar as such losses, claims, damages, liabilities, expenses or actions arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or Prospectus as amended or supplemented (if any amendments or supplements thereto shall have been furnished), or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, if such statement or omission was made in reliance upon information furnished herein or in writing to the Company by such Underwriter or through the Representative on behalf of such Underwriter for use in the Registration Statement or the Prospectus or any amendment or supplement to either thereof. The indemnity agreement of all the respective Underwriters contained in this paragraph 11 shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Company or any other Underwriter, or any such controlling person, and shall survive the delivery of the Securities. The Company agrees promptly to notify the Representative of the commencement of any litigation or proceedings against the Company or any of its officers or directors, or any such controlling person, in connection with the sale of the Securities.

(c) The Company and each of the Underwriters agree that, upon the receipt of notice of the commencement of any action against it, its officers and directors, or any person controlling it as aforesaid, in respect of which indemnity may be sought on account of any indemnity agreement contained herein, it will promptly give written notice of the commencement thereof to the party or parties against whom indemnity shall be sought hereunder. The omission so to notify such indemnifying party or parties of any such action shall relieve such indemnifying party or parties from any liability which it or they may have to the indemnified party on account of any indemnity agreement contained herein but shall not relieve such indemnifying party or parties from any liability which it or they may have to the

indemnified party otherwise than on account of such indemnity agreement. In case such notice of any such action shall be so given, such indemnifying party shall be entitled to participate at its own expense in the defense or, if it so elects, to assume (in conjunction with any other indemnifying parties) the defense of such action, in which event such defense shall be conducted by counsel chosen by such indemnifying party (or parties) and satisfactory to the indemnified party or parties who shall be defendant or defendants in such action, and such defendant or defendants shall bear the fees and expenses of any additional counsel retained by them; but if the indemnifying party shall elect not to assume the defense of such action, such indemnifying parties will reimburse such indemnified party or parties for the reasonable fees and expenses of any counsel retained by them; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and counsel for the indemnifying party shall have reasonably concluded that there may be a conflict of interest involved in the representation by such counsel of both the indemnifying party and the indemnified party, the indemnified party or parties shall have the right to select separate counsel, satisfactory to the indemnifying party, to participate in the defense of such action on behalf of such indemnified party or parties (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties who are parties to such action).

12. Termination Date of this Agreement. This Agreement may be

terminated by the Representative at any time prior to the Closing Date by mailing or delivering written notice thereof to the Company, if prior to such time (a) there shall have occurred any general suspension of trading in securities on the New York or Pacific Stock Exchange, or there shall have been established by the New York or Pacific Stock Exchange or by the Commission or by any federal or state agency or by the decision of any court any limitation on prices for such trading or any restrictions on the distribution of securities, or (b) there shall have occurred any new outbreak of hostilities, including, but not limited to, an escalation of hostilities which existed prior to the date of this Agreement, or other national or international calamity or crisis, the effect of which on the financial markets of the United States shall be such as to make it impracticable, in the reasonable judgment of the Representative, for the Underwriters to enforce contracts for the sale of the Securities, or (c) the Company shall have sustained a substantial loss by fire, flood, accident or other calamity which renders it impracticable, in the reasonable judgment of the Representative, to consummate the sale of the Securities and the delivery of the Securities by the several Underwriters at the initial public offering price. This Agreement may also be terminated at any time prior to the Closing Date if in the reasonable judgment of the Representative the subject matter of any amendment or supplement to the Registration Statement or Prospectus (other than an amendment or supplement relating solely to the activity of any Underwriter or Underwriters) shall have materially impaired the marketability of the

Securities. Any termination hereof pursuant to this paragraph 12 shall be without liability of any party to any other party except as otherwise provided in paragraphs 7 and 8.

13. Miscellaneous. The validity and interpretation of this

Agreement shall be governed by the laws of the State of New York. Unless otherwise specified, time of day refers to New York City time. This Agreement shall inure to the benefit of, and be binding upon, the Company, the several Underwriters, and with respect to the provisions of paragraph 11, the officers and directors and each controlling person referred to in paragraph 11, and their respective successors. Nothing in this Agreement is intended or shall be construed to give to any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The term "successors" as used in this Agreement shall not include any purchaser, as such purchaser, of any of the Securities from any of the several Underwriters.

14. Notices. All communications hereunder shall be in writing or

by telegram and, if to the Underwriters, shall be mailed, transmitted by any standard form of telecommunication or delivered to the Representative at the address set forth in Schedule I hereto and if to the Company, shall be mailed or delivered to it at 411 Fayetteville Street, Raleigh, North Carolina 27601-1748, attention of M. S. Glass, Treasurer.

15. Counterparts. This Agreement may be simultaneously executed in

counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall together constitute one and the same instrument.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to the Company the enclosed duplicate hereof whereupon it will become a binding agreement between the Company and the several Underwriters in accordance with its terms.

Very truly yours,

CAROLINA POWER & LIGHT COMPANY

By: \s\ Robert J. Reger, Jr.

Authorized Representative

Accepted as of the date first
above written, as Underwriter
named in, and as the Representative

of the other Underwriters named in, Schedule II.

PRUDENTIAL SECURITIES INCORPORATED

By: \s\ Stacy Hallis

SCHEDULE I

Underwriting Agreement dated January 12, 1994

Registration Statements No. 33-50597 and No. 33-60014

Representative and Address:

Prudential Securities Incorporated
One Seaport Plaza, 29th Floor
New York, NY 10292

Securities: First Mortgage Bonds

Designation: 5 7/8% Series due January 15, 2004

Principal Amount: \$150,000,000

Supplemental Indenture dated as of January 15, 1994

Date of Maturity: January 15, 2004

Interest Rate: 5 7/8% per annum, payable January 15 and July 15
of each year, commencing July 15, 1994.

Purchase Price: 98.863% of the principal amount thereof,
plus accrued interest from January 15, 1994 to the date of
payment and delivery.

Public Offering Price: 99.069% of the principal amount thereof,
plus accrued interest from January 15, 1994 to the date of
payment and delivery.

Closing Date and Location:

January 19, 1994
Reid & Priest
40 West 57th Street

SCHEDULE II

Underwriters -----	Principal Amount -----
Prudential Securities Incorporated	\$ 75,000,000
Citicorp Scurities, Inc.	\$ 25,000,000
Paine Webber Incorporated	\$ 25,000,000
Salomon Brothers Inc	\$ 25,000,000
 TOTAL	 \$150,000,000 =====

CAROLINA POWER & LIGHT COMPANY

TO

THE BANK OF NEW YORK
(FORMERLY IRVING TRUST COMPANY)

AND

W.T. CUNNINGHAM

(SUCCESSOR TO FREDERICK G. HERBST, RICHARD H. WEST, J.A. AUSTIN, E.J.
MCCABE, G. WHITE, D.W. MAY, J.A. VAUGHAN, JOSEPH J. ARNEY AND WAFAA
ORFY)

AS TRUSTEES UNDER CAROLINA POWER &
LIGHT COMPANY'S MORTGAGE AND DEED
OF TRUST, DATED AS OF MAY 1, 1940

SIXTY-SECOND SUPPLEMENTAL INDENTURE

PROVIDING AMONG OTHER THINGS FOR
FIRST MORTGAGE BONDS, 5 7/8% SERIES DUE JANUARY 15, 2004
(SIXTY-FIFTH SERIES)

DATED AS OF JANUARY 15, 1994

SIXTY-SECOND SUPPLEMENTAL INDENTURE

INDENTURE, dated as of January 15, 1994, by and between CAROLINA POWER & LIGHT COMPANY, a corporation of the State of North Carolina, whose post office address is 411 Fayetteville Street, Raleigh, North Carolina 27601-1768 (hereinafter sometimes called the Company), and THE BANK OF NEW YORK (formerly Irving Trust Company), a corporation of the State of New York, whose post office address is 101 Barclay Street, New York, New York 10286 (hereinafter sometimes called the Corporate Trustee), and W.T. CUNNINGHAM (successor to Frederick G. Herbst, Richard H. West, J.A. Austin, E.J. McCabe, G. White, D.W. May, J.A. Vaughan, Joseph J. Arney and Wafaa Orfy), whose post office address is 3 Arlington Drive, Denville, New Jersey 07834 (the Corporate Trustee and the Individual Trustee being hereinafter together sometimes called the Trustees), as Trustees under the Mortgage and Deed of Trust, dated as of May 1, 1940 (hereinafter called the Mortgage), which Mortgage was executed and delivered by the Company to Irving Trust Company (now The Bank of New York) and Frederick G. Herbst to secure the payment of bonds issued or to be issued under and in accordance with the provisions of the Mortgage, reference to which Mortgage is hereby made, this Indenture (hereinafter sometimes called the Sixty-second Supplemental Indenture) being supplemental thereto:

WHEREAS, the Mortgage was recorded in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, the Mortgage was indexed and cross-indexed in the real and chattel mortgage records in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, an instrument, dated as of June 25, 1945, was executed by the Company appointing Richard H. West as Individual Trustee in succession to said Frederick G. Herbst (deceased) under the Mortgage, and by Richard H. West accepting said appointment, which instrument was recorded in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, an instrument, dated as of December 12, 1957, was executed by the Company appointing J.A. Austin as Individual Trustee in succession to said Richard H. West (resigned) under the Mortgage, and by J.A. Austin accepting said appointment, which instrument was recorded in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, an instrument, dated as of April 15, 1966, was executed by the Company appointing E.J. McCabe as Individual Trustee in succession to said J.A. Austin (resigned) under the Mortgage, and by E.J. McCabe accepting said appointment, which instrument was recorded in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, by the Seventeenth Supplemental Indenture mentioned below, the Company, among other things, appointed G. White as Individual Trustee in succession to said E.J. McCabe (resigned), and G. White accepted said appointment; and

WHEREAS, by the Nineteenth Supplemental Indenture mentioned below, the Company, among other things, appointed D.W. May as Individual Trustee in succession to said G. White (resigned), and D.W. May accepted said appointment; and

WHEREAS, by the Thirty-fifth Supplemental Indenture mentioned below, the Company, among other things, appointed J.A. Vaughan as Individual Trustee in succession to said D.W. May (resigned), and J.A. Vaughan accepted said appointment; and

WHEREAS, an instrument, dated as of June 27, 1988, was executed by the Company appointing Joseph J. Arney as Individual Trustee in succession to said J.A. Vaughan (resigned) under the Mortgage, and by Joseph J. Arney accepting said appointment, which instrument was recorded in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, by the Forty-fifth Supplemental Indenture mentioned below, the Company, among other things, appointed Wafaa Orfy as Individual Trustee in succession to said Joseph J. Arney (resigned), and Wafaa Orfy accepted said appointment; and

WHEREAS, by the Forty-ninth Supplemental Indenture mentioned below, the Company, among other things, appointed W.T. Cunningham as Individual Trustee in succession to said Wafaa Orfy (resigned), and W.T. Cunningham accepted said appointment; and

WHEREAS, such instruments were indexed and cross-indexed in the real and chattel mortgage records in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, by the Mortgage, the Company covenanted that it would execute and deliver such supplemental indenture or indentures and such further instruments and do such further acts as might be necessary or proper to carry out more effectually the purposes of the Mortgage and to make subject to the lien of the Mortgage any property thereafter acquired intended to be subject to the lien thereof; and

WHEREAS, for said purposes, among others, the Company executed and delivered to the Trustees the following supplemental indentures:

DESIGNATION -----	DATED AS OF -----
First Supplemental Indenture	January 1, 1949
Second Supplemental Indenture	December 1, 1949
Third Supplemental Indenture	February 1, 1951
Fourth Supplemental Indenture	October 1, 1952
Fifth Supplemental Indenture	March 1, 1958
Sixth Supplemental Indenture	April 1, 1960
Seventh Supplemental Indenture	November 1, 1961

Eighth Supplemental Indenture	July 1, 1964
Ninth Supplemental Indenture	April 1, 1966
Tenth Supplemental Indenture	October 1, 1967
Eleventh Supplemental Indenture	October 1, 1968
Twelfth Supplemental Indenture	January 1, 1970
Thirteenth Supplemental Indenture	August 1, 1970
Fourteenth Supplemental Indenture	January 1, 1971
Fifteenth Supplemental Indenture	October 1, 1971
Sixteenth Supplemental Indenture	May 1, 1972
Seventeenth Supplemental Indenture	May 1, 1973
Eighteenth Supplemental Indenture	November 1, 1973
Nineteenth Supplemental Indenture	May 1, 1974
Twentieth Supplemental Indenture	December 1, 1974
Twenty-first Supplemental Indenture	April 15, 1975
Twenty-second Supplemental Indenture	October 1, 1977
Twenty-third Supplemental Indenture	June 1, 1978
Twenty-fourth Supplemental Indenture	May 15, 1979
Twenty-fifth Supplemental Indenture	November 1, 1979
Twenty-sixth Supplemental Indenture	November 1, 1979
Twenty-seventh Supplemental Indenture	April 1, 1980
Twenty-eighth Supplemental Indenture	October 1, 1980
Twenty-ninth Supplemental Indenture	October 1, 1980
Thirtieth Supplemental Indenture	December 1, 1982
Thirty-first Supplemental Indenture	March 15, 1983
Thirty-second Supplemental Indenture	March 15, 1983
Thirty-third Supplemental Indenture	December 1, 1983
Thirty-fourth Supplemental Indenture	December 15, 1983
Thirty-fifth Supplemental Indenture	April 1, 1984
Thirty-sixth Supplemental Indenture	June 1, 1984
Thirty-seventh Supplemental Indenture	June 1, 1984
Thirty-eighth Supplemental Indenture	June 1, 1984
Thirty-ninth Supplemental Indenture	April 1, 1985
Fortieth Supplemental Indenture	October 1, 1985
Forty-first Supplemental Indenture	March 1, 1986
Forty-second Supplemental Indenture	July 1, 1986
Forty-third Supplemental Indenture	January 1, 1987
Forty-fourth Supplemental Indenture	December 1, 1987
Forty-fifth supplemental Indenture	September 1, 1988
Forty-sixth Supplemental Indenture	April 1, 1989
Forty-seventh Supplemental Indenture	August 1, 1989
Forty-eighth Supplemental Indenture	November 15, 1990
Forty-ninth Supplemental Indenture	November 15, 1990
Fiftieth Supplemental Indenture	February 15, 1991
Fifty-first Supplemental Indenture	April 1, 1991
Fifty-second Supplemental Indenture	September 15, 1991
Fifty-third Supplemental Indenture	January 1, 1992
Fifty-fourth Supplemental Indenture	April 15, 1992
Fifty-fifth Supplemental Indenture	July 1, 1992
Fifty-sixth Supplemental Indenture	October 1, 1992
Fifty-seventh Supplemental Indenture	February 1, 1993
Fifty-eighth Supplemental Indenture	March 1, 1993

Fifty-ninth Supplemental Indenture
 Sixtieth Supplemental Indenture
 Sixty-first Supplemental Indenture

July 1, 1993
 July 1, 1993
 August 15, 1993

which supplemental indentures were or are to be recorded in various Counties in the States of North Carolina and South Carolina, and were or are to be indexed and cross-indexed in the real and chattel mortgage or security interest records in various Counties in the States of North Carolina and South Carolina; and

WHEREAS, the Mortgage and said First through Sixty-first Supplemental Indentures were or are to be recorded in all Counties in the States of North Carolina and South Carolina in which this Sixty-second Supplemental Indenture is to be recorded; and

WHEREAS, in addition to the property described in the Mortgage, as heretofore supplemented, the Company has acquired certain other property, rights and interests in property; and

WHEREAS, the Company has heretofore issued, in accordance with the provisions of the Mortgage, as supplemented, the following series of First Mortgage Bonds:

SERIES - - - - -	PRINCIPAL AMOUNT ISSUED -----	PRINCIPAL AMOUNT OUTSTANDING -----
3-3/4% Series due 1965	\$ 46,000,000	None
3-1/8% Series due 1979	20,100,000	None
3-1/4% Series due 1979	43,930,000	None
2-7/8% Series due 1981	15,000,000	None
3-1/2% Series due 1982	20,000,000	None
4-1/8% Series due 1988	20,000,000	None
4-7/8% Series due 1990	25,000,000	None
4-1/2% Series due 1991	25,000,000	None
4-1/2% Series due 1994	30,000,000	None
5-1/8% Series due 1996	30,000,000	\$30,000,000
6-3/8% Series due 1997	40,000,000	40,000,000
6-7/8% Series due 1998	40,000,000	40,000,000
8-3/4% Series due 2000	40,000,000	None
8-3/4% Series due August 1, 2000	50,000,000	None
7-3/8% Series due 2001	65,000,000	None
7-3/4% Series due October 1, 2001	70,000,000	None
7-3/4% Series due 2002	100,000,000	None
7-3/4% Series due 2003	100,000,000	100,000,000
8-1/8% Series due November 1, 2003	100,000,000	100,000,000
9-3/4% Series due 2004	125,000,000	None
11-1/8% Series due 1994	50,000,000	None
11% Series due April 15, 1984	100,000,000	None
8-1/2% Series due October 1, 2007	100,000,000	17,451,000

9-1/4% Series due June 1, 2008	100,000,000	None
10-1/2% Series due May 15, 2009	125,000,000	None
12-1/4% Series due November 1, 2009	100,000,000	None
Pollution Control Series A	63,000,000	None
14-1/8% Series due April 1, 1987	125,000,000	None
Pollution Control Series B	50,000,000	None
Pollution Control Series C	6,000,000	None
11-5/8% Series due December 1, 1992	100,000,000	None
Pollution Control Series D	48,485,000	48,485,000
Pollution Control Series E	5,970,000	5,970,000
12-7/8% Series due December 1, 2013	100,000,000	None
Pollution Control Series F	34,700,000	34,700,000
13-3/8% Series due April 1, 1994	100,000,000	None
Pollution Control Series G	122,615,000	122,615,000
Pollution Control Series H	70,000,000	None
Pollution Control Series I	70,000,000	None
Pollution Control Series J	6,385,000	1,795,000
Pollution Control Series K	2,580,000	2,580,000
Extendible Series due April 1, 1995	125,000,000	77,050,000
11-3/4% Series due October 1, 2015	100,000,000	None
8-7/8% Series due March 1, 2016	100,000,000	None
8-1/8% Series due July 1, 1996	125,000,000	None
8-1/2% Series due January 1, 2017	100,000,000	None
9.174% Series due December 1, 1992	100,000,000	None
9% Series due September 1, 1993	100,000,000	None
9.60% Series due April 1, 1991	100,000,000	None
Secured Medium-Term Notes, Series A	200,000,000	73,000,000
8-1/8% Series due November 15, 1993	100,000,000	None
Secured Medium-Term Notes, Series B	100,000,000	100,000,000
8-7/8% Series due February 15, 2021	125,000,000	125,000,000
9% Series due April 1, 2022	100,000,000	100,000,000
8-5/8% Series due September 15, 2021	100,000,000	100,000,000
5.20% Series due January 1, 1995	125,000,000	125,000,000
7-7/8% Series due April 15, 2004	150,000,000	150,000,000
8.20% Series due July 1, 2022	150,000,000	150,000,000
6-3/4% Series due October 1, 2002	100,000,000	100,000,000
6-1/8% Series due February 1, 2000	150,000,000	150,000,000
7-1/2% Series due March 1, 2023	150,000,000	150,000,000
5-3/8% Series due July 1, 1998	100,000,000	100,000,000
Secured Medium-Term Notes, Series C	90,000,000	90,000,000
6-7/8% Series due August 15, 2023	100,000,000	100,000,000

which bonds are also hereinafter sometimes called bonds of the First through Sixty-fourth Series, respectively; and

WHEREAS, Section 8 of the Mortgage provides that the form of each series of bonds (other than the First Series) issued thereunder and of the coupons to be attached to coupon bonds of such series shall be established by Resolution of the Board of Directors of the Company and that the form of such series, as established by said Board of Directors, shall specify the descriptive title of the bonds and various other terms thereof, and may

also contain such provisions not inconsistent with the provisions of the Mortgage as said Board of Directors may, in its discretion, cause to be inserted therein expressing or referring to the terms and conditions upon which such bonds are to be issued and/or secured under the Mortgage; and

WHEREAS, Section 120 of the Mortgage provides, among other things, that any power, privilege or right expressly or impliedly reserved to or in any way conferred upon the Company by any provision of the Mortgage, whether such power, privilege or right is in any way restricted or is unrestricted, may be in whole or in part waived or surrendered or subjected to any restriction if at the time unrestricted or to additional restriction if already restricted, and the Company may enter into any further covenants, limitations or restrictions for the benefit of any one or more series of bonds issued thereunder, or the Company may cure any ambiguity contained therein, or in any supplemental indenture, or may establish the terms and provisions of any series of bonds other than said First Series, by an instrument in writing executed and acknowledged by the Company in such manner as would be necessary to entitle a conveyance of real estate to record in all of the states in which any property at the time subject to the lien of the Mortgage shall be situated; and

WHEREAS, the Company now desires to create a new series of bonds and to add to its covenants and agreements contained in the Mortgage, as heretofore supplemented, certain other covenants and agreements to be observed by it and to alter and amend in certain respects the covenants and provisions contained in the Mortgage, as heretofore supplemented; and

WHEREAS, the execution and delivery by the Company of this Sixty-second Supplemental Indenture, and the terms of the bonds of the Sixty-fifth Series, hereinafter referred to, have been duly authorized by the Board of Directors of the Company by appropriate resolutions of said Board of Directors;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That the Company, in consideration of the premises and of One Dollar to it duly paid by the Trustees at or before the ensealing and delivery of these presents, the receipt whereof is hereby acknowledged, and in further evidence of assurance of the estate, title and rights of the Trustees and in order further to secure the payment of both the principal of and interest and premium, if any, on the bonds from time to time issued under the Mortgage, according to their tenor and effect and the performance of all the provisions of the Mortgage (including any instruments supplemental thereto and any modification made as in the Mortgage provided) and of said bonds, hereby grants, bargains, sells, releases, conveys, assigns, transfers, mortgages, pledges, sets over and confirms (subject, however, to Excepted Encumbrances as defined in Section 6 of the Mortgage) unto The Bank of New York and W.T. Cunningham, as Trustees under the Mortgage, and to their successor or successors in said trust, and to said Trustees and their successors and assigns forever, all the following described properties of the Company:

All electric generating plants, stations, transmission lines, and electric distribution systems, including permanent improvements, extensions or additions to or about such electrical plants, stations, transmission lines and distribution systems of the Company; all dams, power houses, power sites, buildings, generators, reservoirs, pipe lines, flumes, structures and works; all substations, transformers, switchboards, towers, poles, wires, insulators, and other appliances and equipment, and the Company's rights or interests in the land upon which the same are situated, and all other property, real or personal, forming a part of or appertaining to, or used, occupied or enjoyed in connection with said generating plants, stations, transmission lines, and distribution systems; together with all rights of way, easements, permits, privileges, franchises and rights for or related to the construction, maintenance, or operation thereof, through, over, under or upon any public streets or highways, or the public lands of the United States, or of any State or other lands; and all water appropriations and water rights, permits and privileges; including all property, real, personal, and mixed, acquired by the Company after the date of the execution and delivery of the Mortgage, in addition to property covered by the above-mentioned supplemental indentures (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted), now owned or, subject to the provisions of Section 87 of the Mortgage, hereafter acquired by the Company and wheresoever situated, including (without in anywise limiting or impairing by the enumeration of the same the scope and intent of the foregoing or of any general description contained in this Sixty-second Supplemental Indenture) all lands, power sites, flowage rights, water rights, flumes, raceways, dams, rights of way and roads; all steam and power houses, gas plants, street lighting systems, standards and other equipment incidental thereto, telephone, radio and television systems, air-conditioning systems and equipment incidental thereto, water works, steam heat and hot water plants, lines, service and supply systems, bridges, culverts, tracts, ice or refrigeration plants and equipment, street and interurban railway systems, offices, buildings and other structures and the equipment thereof; all machinery, engines, boilers, dynamos, electric and gas machines, regulators, meters, transformers, generators, motors, electrical, gas and mechanical appliances, conduits, cables, water, steam heat, gas or other pipes, gas mains and pipes, service pipes, fittings, valves and connections, pole and transmission lines, wires, cables, tools, implements, apparatus, furniture, chattels and choses in action; all municipal and other franchises, consents or permits; all lines for the transmission and distribution of electric current, gas, steam heat or water for any purpose including poles, wires, cables, pipes, conduits, ducts and all apparatus for use in connection therewith; all real estate, lands, easements, servitudes, licenses, permits, franchises,

privileges, rights of way and other rights in or relating to real estate or the occupancy of the same and (except as herein or in the Mortgage, as heretofore supplemented, expressly excepted) all the right, title and interest of the Company in and to all other property of any kind or nature appertaining to and/or used and/or occupied and/or enjoyed in connection with any property hereinbefore or in the Mortgage, as heretofore supplemented, described.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof, with the reversion and reversions, remainder and remainders and (subject to the provisions of Section 57 of the Mortgage) the tolls, rents, revenues, issues, earnings, income, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

IT IS HEREBY AGREED by the Company that, subject to the provisions of Section 87 of the Mortgage, all the property, rights and franchises acquired by the Company after the date hereof (except any herein or in the Mortgage, as heretofore supplemented, expressly excepted) shall be and are as fully granted and conveyed hereby and as fully embraced within the lien hereof and the lien of the Mortgage as if such property, rights and franchises were now owned by the Company and were specifically described herein and conveyed hereby.

PROVIDED THAT the following are not and are not intended to be now or hereafter granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed hereunder and are hereby expressly excepted from the lien and operation of this Sixty-second Supplemental Indenture and from the lien and operation of the Mortgage, namely: (1) cash, shares of stock and obligations (including bonds, notes and other securities) not hereafter specifically pledged, paid, deposited or delivered under the Mortgage or covenanted so to be; (2) merchandise, equipment, materials or supplies held for the purpose of sale in the usual course of business and fuel, oil and similar materials and supplies consumable in the operation of any properties of the Company; rolling stock, buses, motor coaches, vehicles and automobiles; (3) bills, notes and accounts receivable, and all contracts, leases and operating agreements not specifically pledged under the Mortgage, as heretofore supplemented, or this Sixty-second Supplemental Indenture or covenanted so to be; (4) electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course of its business; and (5) any property and rights heretofore released from the lien of the Mortgage; provided, however, that the property and rights expressly excepted from the lien and operation of the Mortgage and this Sixty-second Supplemental Indenture in the above subdivisions (2) and (3) shall (to the extent permitted by law) cease to be so excepted in the event and as of the date that either or both

of the Trustees or a receiver or trustee shall enter upon and take possession of the Mortgaged and Pledged Property in the manner provided in Article XII of the Mortgage by reason of the occurrence of a Default as defined in said Article XII.

TO HAVE AND TO HOLD all such properties, real, personal and mixed, granted, bargained, sold, released, conveyed, assigned, transferred, mortgaged, pledged, set over or confirmed by the Company as aforesaid, or intended so to be, unto the Trustees, their successors and assigns forever.

IN TRUST NEVERTHELESS, for the same purposes and upon the same terms, trusts and conditions and subject to and with the same provisos and covenants as are set forth in the Mortgage, as heretofore supplemented, this Sixty-second Supplemental Indenture being supplemental to the Mortgage.

AND IT IS HEREBY COVENANTED by the Company that all the terms, conditions, provisos, covenants and provisions contained in the Mortgage, as heretofore supplemented, shall affect and apply to the property hereinbefore described and conveyed and to the estate, rights, obligations and duties of the Company and the Trustees and the beneficiaries of the trust with respect to said property, and to the Trustees and their successors as Trustees of said property in the same manner and with the same effect as if the said property had been owned by the Company at the time of the execution of the Mortgage and had been specifically and at length described in and conveyed to the Trustees by the Mortgage as a part of the property therein stated to be conveyed.

The Company further covenants and agrees to and with the Trustees and their successor or successors in such trust under the Mortgage as follows:

ARTICLE I

SIXTY-FIFTH SERIES OF BONDS

SECTION 1. There shall be a series of bonds designated "5 7/8% Series due January 15, 2004" (herein sometimes referred to as the "Sixty-fifth Series"), each of which shall also bear the descriptive title "First Mortgage Bond," and the form thereof, which shall be established by Resolution of the Board of Directors of the Company, shall contain suitable provisions with respect to the matters hereinafter in this Section specified. Bonds of the Sixty-fifth Series shall be initially issued in the aggregate principal amount of \$150,000,000, mature on January 15, 2004, bear interest at the rate of 5 7/8% per annum, payable from January 15, 1994, if the date of said bonds is prior to July 15, 1994, or, if the date of said bonds is after July 15, 1994, from the July 15 or January 15 next preceding the date of said bonds, and thereafter semi-annually on July 15 and January 15 of each year, be issued as fully registered bonds in the denominations of One Thousand Dollars and, at the option of the Company, in

any multiple or multiples of One Thousand Dollars (the exercise of such option to be evidenced by the execution and delivery thereof) and be dated as in Section 10 of the Mortgage provided, the principal of and interest on each said bond to be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for public and private debts.

(I) Bonds of the Sixty-fifth Series shall not be redeemable.

(II) At the option of the registered owner, any bonds of the Sixty-fifth Series, upon surrender thereof for cancellation at the office or agency of the Company in the Borough of Manhattan, The City of New York, shall be exchangeable for a like aggregate principal amount of bonds of the same series of other authorized denominations. The bonds of the Sixty-fifth Series may bear such legends as may be necessary to comply with any law or with any rules or regulations made pursuant thereto or with the rules or regulations of any stock exchange or to conform to usage or agreement with respect thereto.

Bonds of the Sixty-fifth Series shall be transferable upon the surrender thereof for cancellation, together with a written instrument of transfer in form approved by the registrar duly executed by the registered owner or by his duly authorized attorney, at the office or agency of the Company in the Borough of Manhattan, The City of New York.

Upon any exchange or transfer of bonds of the Sixty-fifth Series, the Company may make a charge therefor sufficient to reimburse it for any tax or taxes or other governmental charge required to be paid by the Company, as provided in Section 12 of the Mortgage, but the Company hereby waives any right to make a charge in addition thereto for any exchange or transfer of bonds of said Series.

ARTICLE II

DIVIDEND COVENANT

SECTION 2. The Company covenants and agrees that, so long as any of the bonds of the Sixty-fifth Series remain Outstanding, the Company will not declare or pay any dividends upon its common stock (other than dividends in common stock) or make any other distributions on its common stock or purchase or otherwise retire any shares of its common stock, unless immediately after such declaration, payment, purchase, retirement or distribution (hereinafter in this Section referred to as "Restricted Payments"), and giving effect thereto, the amount arrived at by adding

(a) the aggregate amount of all such Restricted Payments (other than the dividend of fifty cents (\$.50) per share declared on December 8, 1948 and paid on February 1, 1949 to holders of Common Stock) made by the Company during the period

from December 31, 1948, to and including the effective date of the Restricted Payment in respect of which the determination is being made, plus

(b) an amount equal to the aggregate amount of cumulative dividends for such period (whether or not paid) on all preferred stock of the Company from time to time outstanding during such period, at the rate or rates borne by such preferred stock, plus

(c) an amount equal to the amount, if any, by which fifteen per centum (15%) of the Gross Operating Revenues of the Company for such period shall exceed the aggregate amount during such period expended and/or accrued on its books for maintenance and/or appropriated on its books out of income for property retirement, in each case in respect of the Mortgaged and Pledged Property and/or automotive equipment used primarily in the electric utility business of the Company (but excluding any provisions for amortization of any amounts included in utility plant acquisition adjustment accounts or utility plant adjustment accounts),

will not exceed the amount of the aggregate net income of the Company for said period available for dividends (computed and ascertained in accordance with sound accounting practice, on a cumulative basis, including the making of proper deductions for any deficits occurring during any part of such period), plus \$3,000,000.

The Company further covenants and agrees that not later than May 1 of each year beginning with the year 1995 it will furnish to the Corporate Trustee a Treasurer's Certificate stating whether or not the Company has fully observed the restrictions imposed upon it by the covenant contained in this Section 2.

ARTICLE III

CERTAIN PROVISIONS WITH RESPECT TO FUTURE ADVANCES

SECTION 3. Upon the filing of this Sixty-second Supplemental Indenture for record in all counties in which the Mortgaged and Pledged Property is located, and until a further indenture or indentures supplemental to the Mortgage shall be executed and delivered by the Company to the Trustees pursuant to authorization by the Board of Directors of the Company and filed for record in all counties in which the Mortgaged and Pledged Property is located further increasing or decreasing the amount of future advances which may be secured by the Mortgage, as supplemented, the Mortgage, as supplemented, may secure future advances and other indebtedness and sums not to exceed in the aggregate \$750,000,000, in addition to \$2,383,646,000 in aggregate principal amount of bonds to be Outstanding at the time of such filing, and all such advances and other

indebtedness and sums shall be secured by the Mortgage, as supplemented, equally, to the same extent and with the same priority, as the amount originally advanced on the security of the Mortgage, namely, \$46,000,000, and such advances and other indebtedness and sums may be made or become owing and may be repaid and again made or become owing and the amount so stated shall be considered only as the total amount of such advances and other indebtedness and sums as may be outstanding at one time.

ARTICLE IV

MISCELLANEOUS PROVISIONS

SECTION 4. Subject to the amendments provided for in this Sixty-second Supplemental Indenture, the terms defined in the Mortgage, as heretofore supplemented, shall, for all purposes of this Sixty-second Supplemental Indenture, have the meanings specified in the Mortgage, as heretofore supplemented.

SECTION 5. The provisions of the third and fourth paragraphs of Section 64 of the Mortgage with reference to the bonds of the First Series (therein called "1965 Series") shall also be deemed to apply separately to the bonds of the Sixty-fifth Series to the same extent as if such paragraphs had been repeated in said Section 64 with the words "Sixty-fifth Series" substituted therein wherever the figure and word "1965 Series" occur.

SECTION 6. The Trustees hereby accept the trusts herein declared, provided, created or supplemented and agree to perform the same upon the terms and conditions herein and in the Mortgage, as heretofore supplemented, set forth and upon the following terms and conditions:

The Trustees shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Sixty-second Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely. In general each and every term and condition contained in Article XVI of the Mortgage shall apply to and form part of this Sixty-second Supplemental Indenture with the same force and effect as if the same were herein set forth in full with such omissions, variations and insertions, if any, as may be appropriate to make the same conform to the provisions of this Sixty-second Supplemental Indenture.

SECTION 7. Subject to the provisions of Article XV and Article XVI of the Mortgage, whenever in this Sixty-second Supplemental Indenture either of the parties hereto is named or referred to, this shall be deemed to include the successors or assigns of such party, and all the covenants and agreements in this Sixty-second Supplemental Indenture contained by or on behalf of the Company or by or on behalf of the Trustees shall bind and inure to the benefit of the respective successors and assigns of such

parties whether so expressed or not.

SECTION 8. Nothing in this Sixty-second Supplemental Indenture, expressed or implied, is intended, or shall be construed, to confer upon, or to give to, any person, firm or corporation, other than the parties hereto and the holders of the Outstanding bonds and coupons, any right, remedy or claim under or by reason of this Sixty-second Supplemental Indenture or any covenant, condition, stipulation, promise or agreement hereof, and all the covenants, conditions, stipulations, promises and agreements in this Sixty-second Supplemental Indenture contained by or on behalf of the Company shall be for the sole and exclusive benefit of the parties hereto, and of the holders of the Outstanding bonds and coupons.

SECTION 9. This Sixty-second Supplemental Indenture shall be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, Carolina Power & Light Company has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by its President or one of its Vice Presidents or its Treasurer and its corporate seal to be attested by its Secretary or one of its Assistant Secretaries, and The Bank of New York has caused its corporate name to be hereunto affixed, and this instrument to be signed and sealed by one of its Vice Presidents or Assistant Vice Presidents, and its corporate seal to be attested by one of its Assistant Vice Presidents or Assistant Secretaries and W.T. Cunningham has hereunto set his hand and affixed his seal, all as of the day and year first above written.

CAROLINA POWER & LIGHT COMPANY

By \s\ Margaret S. Glass

Treasurer

ATTEST:

\s\ Adrian N. Wilson

Assistant Secretary

Executed, sealed and delivered by
CAROLINA POWER & LIGHT
COMPANY in the presence of:

\s\ Allison M. Mathews

Allison M. Mathews

\s\ Shelia L. Jones

Shelia L. Jones

THE BANK OF NEW YORK, as Trustee

By \s\ Lloyd A. McKenzie

Assistant Vice President

ATTEST:

\s\ Louis J. Hack

Assistant Secretary

\s\ W.T. Cunningham (L.S.)

W.T. Cunningham

Executed, sealed and delivered
by THE BANK OF NEW YORK
and W.T. CUNNINGHAM
in the presence of:

\s\ E. Elcock

E. Elcock

\s\ Paul J. Schmalzel

Paul J. Schmalzel

STATE OF NORTH CAROLINA)
) SS.:
COUNTY OF WAKE)

This 17th day of January, A.D. 1994, personally came before me,

DONNA M. CASSADA, a Notary Public in and for the County aforesaid, MARGARET S. GLASS, who, being by me duly sworn, says that she is the Treasurer of CAROLINA POWER & LIGHT COMPANY, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said company, and that said writing was signed and sealed by her in behalf of said corporation by its authority duly given. And the said MARGARET S. GLASS acknowledged the said writing to be the act and deed of said corporation.

On the 17th day of January, in the year of 1994, before me personally came MARGARET S. GLASS, to me known, who, being by me duly sworn, did depose and say that she resides at 809 Lakestone Drive, Raleigh, State of North Carolina; that she is the Treasurer of CAROLINA POWER & LIGHT COMPANY, one of the corporations described in and which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that she signed her name thereto by like order.

\s\ Donna M. Cassada

DONNA M. CASSADA
NOTARY PUBLIC, State of North Carolina
Wake County
My Commission Expires November 16, 1997

STATE OF NORTH CAROLINA)
) SS.:
COUNTY OF WAKE)

Personally appeared before me SHELIA L. JONES, who being duly sworn, says that she saw the corporate seal of CAROLINA POWER & LIGHT COMPANY affixed to the above written instrument, and that she also saw MARGARET S. GLASS, the Treasurer, with ADRIAN N. WILSON, an Assistant Secretary, of said CAROLINA POWER & LIGHT COMPANY, sign and attest the same, and that she, deponent, with ALLISON M. MATHEWS, witnessed the execution and delivery thereof as the act and deed of said CAROLINA POWER & LIGHT COMPANY.

\s\ Shelia L. Jones

Shelia L. Jones

Sworn to before me this
17th day of January, 1994

\s\ Donna M. Cassada

DONNA M. CASSADA
NOTARY PUBLIC, State of North Carolina
Wake County
My Commission Expires November 16, 1997

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

This 18th day of January, A.D. 1994, personally came before me, CHRISTIAN O. NAGLER, a Notary Public in and for the County aforesaid, LLOYD A. MCKENZIE, who, being by me duly sworn, says that he is an Assistant Vice President of THE BANK OF NEW YORK, and that the seal affixed to the foregoing instrument in writing is the corporate seal of said company, and that said writing was signed and sealed by him in behalf of said corporation by its authority duly given. And the said LLOYD A. MCKENZIE acknowledged the said writing to be the act and deed of said corporation.

On the 18th day of January, in the year 1994, before me personally came LLOYD A. MCKENZIE, to me known, who, being by me duly sworn, did depose and say that he resides in Rosedale, New York; that he is an Assistant Vice President of THE BANK OF NEW YORK, one of the corporations described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

I, CHRISTIAN O. NAGLER, a Notary Public in and for the County aforesaid, do hereby certify that W.T. CUNNINGHAM personally appeared before me this day and acknowledged the due execution by him as successor Individual Trustee of the foregoing instrument.

On the 18th day of January, 1994, before me personally came W.T. CUNNINGHAM, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he, as successor Individual Trustee, executed the same.

WITNESS my hand and official seal this 18th day of January, 1994.

\s\ Christian O. Nagler

CHRISTIAN O. NAGLER
NOTARY PUBLIC, State of New York
No. 01NA5014956
Qualified in New York County
Certificate filed in New York County
Commission Expires July 12, 1995

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

Personally appeared before me PAUL J. SCHMALZEL, who, being duly sworn, says that he saw the corporate seal of THE BANK OF NEW YORK affixed to the above written instrument and that he also saw LLOYD A. MCKENZIE, an Assistant Vice President, with LOUIS J. HACK, an Assistant Secretary, of said THE BANK OF NEW YORK, sign and attest the same, and that he, deponent, with E. ELCOCK, witnessed the execution and delivery thereof as the act and deed of said THE BANK OF NEW YORK.

Personally appeared before me PAUL J. SCHMALZEL, who, being duly sworn, says that he saw the within named W.T. CUNNINGHAM, as successor Individual Trustee, sign, seal and as his act and deed deliver the foregoing instrument for the purposes therein mentioned, and that he, deponent, with E. ELCOCK, witnessed the execution thereof.

\s\ Paul J. Schmalzel

Paul J. Schmalzel

Sworn to before me this
18th day of January, 1994

\s\ Christian O. Nagler

CHRISTIAN O. NAGLER
NOTARY PUBLIC, State of New York
No. 01NA5014956
Qualified in New York County
Certificate filed in New York County
Commission Expires July 12, 1995

CAROLINA POWER & LIGHT COMPANY
 COMPUTATION OF RATIO OF EARNINGS
 TO FIXED CHARGES

	Twelve Months Ended		
	September 30,	December 31,	
	1993	1992	1991
	-----	-----	-----
	(Unaudited)		
	(Thousands of Dollars)		
Earnings, as defined:			
Net income.....	\$ 353,473	\$ 379,635	\$ 376,974
Fixed charges, as below.....	246,718	253,215	279,960
Income taxes, as below.....	196,031	211,717	206,004
	-----	-----	-----
Total earnings, as defined.....	\$ 796,222	\$ 844,567	\$ 862,938
	=====	=====	=====
Fixed Charges, as defined:			
Interest on long-term debt.....	\$ 212,726	\$ 223,158	\$ 233,268
Other interest.....	18,477	15,717	33,352
Imputed interest factor in rentals-charged principally to operating expenses.....	15,515	14,340	13,340
	-----	-----	-----
Total fixed charges, as defined	\$ 246,718	\$ 253,215	\$ 279,960
	=====	=====	=====
Earnings Before Income Taxes.....	\$ 549,504	\$ 591,352	\$ 582,978
	=====	=====	=====
Income Taxes:			
Included in operating expenses...	\$ 199,261	\$ 210,266	\$ 200,711
Included in other income:			
Income tax expense (credit)....	4,102	5,885	9,686
Harris Plant carrying costs....	403	1,969	1,563
Other income, net.....	10	58	25
Included in AFUDC-borrowed funds.	565	2,060	2,694
Included in AFUDC-deferred taxes in nuclear fuel amortization			

and book depreciation.....	(8,310)	(8,521)	(8,675)
Included in cumulative effect of change in accounting for revenues.....	-	-	-
	-----	-----	-----
Total income taxes.....	\$ 196,031	\$ 211,717	\$ 206,004
	=====	=====	=====
Ratio of Earnings to Fixed Charges.	3.23	3.34	3.08

Twelve Months Ended

December 31,

1990 1989 1988

(Thousands of Dollars)

Earnings, as defined:

Net income.....	\$ 380,358	\$ 376,067	\$ 196,813
Fixed charges, as below.....	337,792	266,134	275,883
Income taxes, as below.....	175,322	158,535	105,090
	-----	-----	-----
Total earnings, as defined.....	\$ 893,472	\$ 800,736	\$ 577,786
	=====	=====	=====

Fixed Charges, as defined:

Interest on long-term debt.....	\$ 236,473	\$ 220,840	\$ 224,567
Other interest.....	88,086	32,579	37,433
Imputed interest factor in rentals-charged principally to operating expenses.....	13,233	12,715	13,883
	-----	-----	-----
Total fixed charges, as defined	\$ 337,792	\$ 266,134	\$ 275,883
	=====	=====	=====

Earnings Before Income Taxes.....	\$ 555,680	\$ 534,602	\$ 301,903
	=====	=====	=====

Income Taxes:

Included in operating expenses...	\$ 156,934	\$ 160,792	\$ 135,106
Included in other income:			
Income tax expense (credit)....	(34,397)	175	(48,509)
Harris Plant carrying costs....	(3,539)	2,175	6,663
Other income, net.....	21	15	17,450
Included in AFUDC-borrowed funds.	3,081	4,513	4,192
Included in AFUDC-deferred taxes in nuclear fuel amortization and book depreciation.....	(8,869)	(9,135)	(9,812)

Included in cumulative effect of change in accounting for revenues.....	62,091	-	-
	-----	-----	-----
Total income taxes.....	\$ 175,322	\$ 158,535	\$ 105,090
	=====	=====	=====
Ratio of Earnings to Fixed Charges.	2.65	3.01	2.09