

Memorandum of Understanding

Crystal River #4 & #5 - Clean Air Project MOU Addendum

This addendum to the Crystal River #4 & #5 - Clean Air Project Memorandum of Understanding (MOU), modifies the original MOU signed by the System Council, U-8 (Union) and Progress Energy Florida (PEF), (Company) on April 15, 2008 as indicated below. All other provisions of the original MOU remain in force and effect. Further, except as modified below, all other provisions of the Memorandum of Agreement (MOA) shall remain in force and effect. The terms of this MOU addendum are as follows:

1. The parties agree to the modification of the number of posted positions for Scrubber Operator (SO) as indicated in 1a&b of the original MOU.
 - A. Management will internally post 3-SO/3-ASO dual posting positions on June 3, 2008.
 - B. Management will internally post an additional 9-SO/9-ASO dual posting positions after all June 3, 2008 Bartow Plant roll papers have been received by the Company.
2. Management will immediately post up to 5-SO/5-ASO positions for external hire without the benefit of the internal senior qualified bidding process.

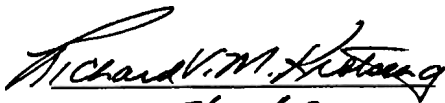
Management will post internally any of these positions not filled by an external candidate, as an SO or ASO to be filled with a senior qualified applicant.
3. Any current Chief Operator (CO), Plant Operator (PO), or any other bargaining unit employee, bidding on the SO positions identified in #1 above, who has previous scrubber experience and is deemed senior qualified, will be selected for the position per the MOA.
 - A. On a onetime basis, for any remaining positions not filled with a senior qualified bidder in #1 above, any current CO or PO bidding on the SO positions

who do not have previous scrubber experience and is deemed not qualified may be selected to the SO positions identified in #1 above.

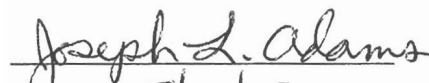
1) CO's and PO's who are the senior applicants will be placed, for pay purposes only, into the SO classification and receive top step SO pay. CO's and PO's who are the senior applicants will be considered as an ASO for all other purposes, assessed by the Apprentice Review Committee, and required to sign the Indenturement Agreement as indicated in the original MOU.

4. On a onetime basis for the positions identified in #1 above, all current Apprentice Operators (AO), with an active Indenturement Agreement, may bid on the initial ASO postings identified in #1, unless mutually agreed to otherwise.
5. SO's and ASO's may not be rolled by any CO, PO, or Apprentice Operator (AO) deemed not qualified for an SO or ASO position for the term of the MOU.
6. After the initial posting process identified in #1 and #2 above, any additional net new positions and/or vacancies for the Clean Air Project (CAP) will be posted per the MOA. Selection to the positions will go to the senior qualified applicant as determined by Management.

For the Company


Date: 5/30/08

For the Union


Date: 5/30/08