



DUKE ENERGY CORPORATION
139 East Fourth St.
P. O. Box 960
Cincinnati, OH 45201-0960

August 22, 2006

Mr. Steve Feldhaus
Business Manager
Local Union 1347
International Brotherhood of
Electrical Workers, AFL-CIO
4100 Colerain Avenue
Cincinnati, Ohio 45223

Re: Eyeglass Pitting

Dear Mr. Feldhaus:

During the 2006 negotiations, the Company and the Union discussed the unique eyeglass pitting problem experienced by welders in the Electric Repair Section of the Substation Maintenance Department and in the Material and Repair Section of T&D Projects.

As agreed, during the term of the 2006 – 2009 Agreement, the Company will furnish standard frames with prescription safety lenses and permanent side shields from its supplier to each welder in those sections who wear corrective lenses that have been substantially affected by this problem. Affected employees may submit their prescription to the department so that the Company can order these glasses. The glasses are to be worn exclusively by these employees when performing welding work for the Company.

During the term of the Agreement, the employees may submit these glasses to the Company for inspection on an annual basis. If the Company determines that a new pair of glasses is warranted due to this pitting problem, the employee will be issued another pair.

Although this is a mutually agreeable method of providing relief to the affected employees, the Company will continue its efforts to completely resolve the problem in the future. At the time the Company finds a solution to this unique problem, the purchase of eyeglasses for welders will be discontinued.

Sincerely,

A handwritten signature in blue ink that reads 'Jay R. Alvaro'.

Jay R. Alvaro
Managing Director
Labor Relations