

News Release



Progress Energy Selects Team of Sargent & Lundy – CH2M HILL – WorleyParsons To Prepare Two Nuclear COL Applications

February 21, 2006 - Progress Energy has awarded a contract to the team of Sargent & Lundy – CH2M HILL – WorleyParsons to prepare the Combined Construction and Operating License (COL) applications for two potential new nuclear power stations. The team will prepare one COL application for the Harris Nuclear Plant site and Westinghouse AP1000 reactor technology, which Progress Energy has selected for the possible future expansion of its nuclear generating fleet. The other COL application will be prepared for a site still to be determined for Progress Energy's Florida territory.

Sargent & Lundy (Chicago, IL) is responsible for overall project management for the COL applications, CH2M HILL (Denver, CO) is primarily responsible for the environmental report and site characterization, and Sargent & Lundy and WorleyParsons (Reading, PA) are responsible for all other facets of the COL applications and associated submittals.

"All of us appreciate Progress Energy's confidence in our team for this significant dual COL application effort," said Don Schopfer, Sargent & Lundy's Executive VP and Team Project Executive. "Collectively and individually, our team members have the in-depth experience needed to successfully execute this exciting next-step toward potential new nuclear power generation in the U.S."

Progress Energy (NYSE: PGN), headquartered in Raleigh, N.C., is a Fortune 250 diversified energy company with more than 24,500 megawatts of generation capacity and \$9 billion in annual revenues. The company's holdings include two electric utilities serving customers in North Carolina, South Carolina and Florida and nonregulated operations covering merchant generation, energy marketing and natural gas exploration. <http://www.progress-energy.com>.

Sargent & Lundy LLC is a worldwide leader in professional services for the electric power industry and has been dedicated exclusively to serving energy business and energy intensive clients for 115 years. The Chicago-based firm provides comprehensive engineering, energy business consulting, and project services for new and operating fossil-fuel and nuclear power plants and power delivery systems. <http://www.sargentlundy.com>

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Headquartered in Denver, employee-owned CH2M HILL is a global firm providing engineering, construction, operations, and related technical services to public and private clients. With more than \$3 billion in revenue, CH2M HILL is an industry leading program management, construction management for fee, and design firm, as ranked by Engineering-News Record (2005). The firm's work is concentrated in the areas of transportation, water, energy, environment, communications, construction, and industrial facilities. CH2M HILL has more than 15,000 employees in regional offices worldwide. <http://www.ch2m.com>

WorleyParsons is a leading provider of professional services to the energy, resource and complex process industries. Our Power business, headquartered in the Reading, PA office, has served electric utility clients since 1893. WorleyParsons provides engineering, procurement, construction management, start-up and O&M services for new and existing power generation facilities. <http://www.worleyparsons.com>

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