

RECORDATION NO. 26580 -J
FILED

MAY 27 '09 -7 15 AM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, NW
SUITE 301
WASHINGTON, D.C.
20036
—
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

ELIAS C ALVORD (1942)
ELLSWORTH C ALVORD (1964)

OF COUNSEL
URBAN A LESTER

May 27, 2009

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement and Lease Supplement No. 7, dated as of May 26, 2009, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates documents previously filed with the Board under Recordation Number 26580.

The names and addresses of the parties to the enclosed document are:

Lessor: Wells Fargo Bank Northwest, National Association,
not in its individual capacity but solely as Owner
Trustee
299 South Main Street, 12th Floor
Salt Lake City, UT 84111

Lessee: Duke Energy Carolinas, LLC
(f/k/a Duke Power Company, LLC)
526 South Church Street
Charlotte, NC 28202

Anne K. Quinlan, Esquire
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A description of the railroad equipment covered by the enclosed document is:

7 railcars ADDED: DKPX 740001 - DKPX 740007 (REPLACING railcars DKPX 730037, DKPX 730087, DKPX 730120, DKPX 730124, DKPX 730125, DKPX 730154 and DKPX 730186).

A short summary of the document to appear in the index is:

Memorandum of Lease Agreement and Lease Supplement No. 7.

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/sem
Enclosures

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MEMORANDUM OF LEASE AGREEMENT AND LEASE SUPPLEMENT NO. 7

(Surface Transportation Board)

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE AGREEMENT AND LEASE SUPPLEMENT NO. 7, dated as of May 26, 2009, is between WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee (the "Lessor"), and DUKE ENERGY CAROLINAS, LLC (f/k/a DUKE POWER COMPANY LLC), a North Carolina limited liability company (the "Lessee").

The parties to this Memorandum hereby acknowledge and confirm the following:

A. The Lessee has leased from Lessor certain railcars identified as "Replaced Units" on Schedule 1 attached hereto (the "Replaced Units"), as indicated under Lease Supplement No. 6 dated as of February 27, 2007 to that certain Equipment Lease Agreement (DPC Trust No. 2006-1) dated as of September 28, 2006. A Memorandum of Lease Agreement and Lease Supplement No. 6 was entered into and filed with the Surface Transportation Board on February 27, 2007 at 8:09 a.m. and assigned recordation number 26580-H.

B. The Lessee has leased from Lessor certain railcars identified as "Replacement Units" on Schedule 1 attached hereto (the "Replacement Units"), as indicated under Lease Supplement No. 7 dated as of May 26, 2009 (the "Lease Supplement No. 7") to that certain Equipment Lease Agreement (DPC Trust No. 2006-1) dated as of September 28, 2006.

C. Pursuant to Lease Supplement No. 7, (i) Lessor transferred to Lessee on an "as is" and "where is" and without recourse or warranty (except as to the absence of Lessor's Liens) basis, all of Lessor's right, title and interest in and to the Replaced Units, (ii) the Lessor and Lessee agreed to terminate the Lease solely with respect to the Replaced Units, and (iii) the Replaced Units were released from all of the terms and conditions thereof.

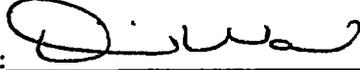
D. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

E. This Memorandum may be executed in counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, not individually
but solely as Owner Trustee

By: 

Name: David Wall
Assistant Vice President

Title: _____

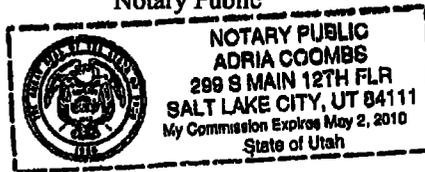
STATE OF Utah)
 Salt Lake) ss:
COUNTY OF _____)

The foregoing Memorandum of Lease was acknowledged before me, the undersigned Notary Public, in the County of Salt Lake this ___ day of May, 2009 by David Wall, as Asst. Vice President of Wells Fargo Bank Northwest, National Association.


Notary Public

My commission expires: _____

[Notarial Seal]



SCHEDULE 1

REPLACED UNITS:

Basic Group #	Number of Units being replaced	Description	Car Marks/Numbers	Manufacturer
F	Seven (7)	118 ton capacity aluminum "Autoflood III" railcars with non-rotary F couplers, automatic bottom discharge and 4,200 cubic foot capacity	DKPX 730037 DKPX 730087 DKPX 730120 DKPX 730124 DKPX 730125 DKPX 730154 DKPX 730186	FreightCar America, Inc.

REPLACEMENT UNITS:

Basic Group #	Number of Replacement Units	Description	Car Marks/Numbers	Manufacturer
F	Seven (7)	119 ton capacity "RDL" aluminum longitudinal door -rapid discharge railcars with rotary couplers and 4,204 cubic foot level full capacity and 4,600 cubic foot 10" heap capacity	DKPX 740001 DKPX 740002 DKPX 740003 DKPX 740004 DKPX 740005 DKPX 740006 DKPX 740007	Trinity North American Freight Car, Inc.

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 5/27/09



Robert W. Alvord