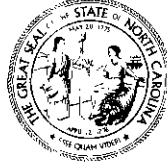


E-100, Sub 37A



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

December 1, 2005

OFFICIAL COPY

The Honorable Jo Anne Sanford, Chair
North Carolina Utilities Commission

Mr. Alan Butler
Chairman, Advanced Energy

Dear Jo Anne and Alan:

I am writing to request that the Utilities Commission make Dr. Robert K. Koger a member of the Board of Directors of North Carolina Advanced Energy Corporation ("AEC"). I understand it is common practice for the president of a corporation to serve on the corporate Board of Directors, and as Executive Director of the Public Staff of the North Carolina Utilities Commission, I believe Dr. Koger would be an excellent board member. As a director who is appointed by the Commission, Dr. Koger would continue to serve on the board while he is President of AEC, and his service would also continue in the event he chooses to step down from his current position as President.

As all of you know, Dr. Koger has the ideal experience to serve on the Board as he has been President of AEC since 1988, and he is a well-recognized expert on energy issues, including energy efficiency and conservation. Dr. Koger has a doctoral degree in engineering, and he has served three terms on the North Carolina Utilities Commission.

If the Utilities Commission and the AEC Board should decide to proceed on my recommendation, on advice of counsel I recommend that the Utilities Commission amend the Articles of Incorporation (the "Charter") of AEC to create a 14th board seat that would

Chairman's Office
DEC 2 2005

FILED
DEC 06 2005
Clark's Office
N.C. Utilities Commission

Clark
AG
7 Comm
Bennink/Watson
Hoover
Erickson

Robert P. Gruber, Executive Director
4326 Mail Service Center, Raleigh, North Carolina 27699-4326 • 919/733-2435 • Fax 919/733-9565

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be filled by a nominee who is appointed by the Utilities Commission, and then specifically recommend to the Utilities Commission that this seat be filled by Dr. Koger. The Board of Directors must first approve this amendment to the Charter prior to submitting the amendment to the Utilities Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert P. Gruber", with a stylized, cursive script.

Robert P. Gruber

RPG/jmc

cc: Members of the North Carolina Utilities Commission
Members of the Advanced Energy Board of Directors
Robert Bennink, Esquire
John Fuscoe, Esquire