

North Carolina Transmission Planning Collaborative

For Immediate Release, January 24, 2008

Collaborative Regional Transmission Plan IDs major projects

RALEIGH, N.C. -- Participants in the North Carolina Transmission Planning Collaborative (NCTPC) have identified 17 major transmission projects, representing more than \$400 million in investments over the next decade, as part of the 2007-2017 Collaborative Transmission Plan for North Carolina.

The collaborative was formed in 2005 to develop a shared plan for electric transmission system enhancements in the state. Participants include Duke Energy Carolinas, Progress Energy Carolinas, North Carolina Electric Membership Corporation and ElectriCities of North Carolina.

The scope of the 2007 planning study included a base reliability analysis as well as analysis of potential resource supply options. The purpose of the base reliability analysis is to evaluate the transmission system's ability to meet load growth projected for years 2012 through 2017. The purpose of the resource supply analysis is to evaluate transmission system impacts for various resource supply options to meet future native load requirements. Major projects are defined as those requiring investments in excess of \$10 million.

The 2007-2017 Plan report can be viewed on the NCTPC website at www.nctpc.org/nctpc under the Reference Documents section.

The major transmission projects identified in the 2007-2017 Plan report are expected to be implemented over the next 10 year planning horizon by the transmission owners to preserve system reliability and improve economic transfers. These planned projects are subject to change based on evolving system conditions which is why this is an annual planning process that factors in new system information as conditions change. Work has already begun on the 2008 study and those Collaborative Transmission Plan results are expected to be published at the end of this year.

“The success of the NCTPC continues to demonstrate that regional planning can work with the existing state planning processes to provide value to electricity customers in North Carolina,” said Jim Kerr, commissioner on the North Carolina Utilities Commission and past-president of the National Association of regulatory Utility Commissioners (NARUC).

The NCTPC was established to provide the participants and other stakeholders an opportunity to participate in the electric transmission planning process for North Carolina, and to develop a single coordinated transmission plan for North Carolina electric utilities that includes reliability and enhanced transmission access considerations. Serious effort is given to appropriately balance costs, benefits and risks associated with the use of transmission and generation resources.

“As the population of North Carolina continues to grow and expand, the NCTPC continues to be successful in bringing the participant utilities together to plan better to ensure reliability and access to benefit the state,” said Ed Ernst, NCTPC chair, Duke Energy.

The NCTPC process includes active participation of other market participants and other stakeholders through a Transmission Advisory Group (TAG), which is open to all interested parties. If you are interested in joining the TAG or to receive future information related to this NCTPC process, you can go to the NCTPC website at www.nctpc.org/nctpc and sign up to become a TAG participant and get on the TAG distribution list.

The NCTPC process includes the use of an Independent Third Party (ITP) consultant to act as a facilitator for the development and conduct of the NCTPC process. This role includes Chairing the TAG and soliciting input from the other stakeholders through the open TAG meetings. The ITP consultant for the NCTPC process is Gestalt, now part of Accenture LLP, www.gestalt-llc.com.

If you have any comments or questions on the NCTPC process or specifically on the 2007-2017 Collaborative Transmission Plan Study Report, please contact Ed Ernst, NCTPC Chair (via email heernstjr@duke-energy.com or phone 704-382-5027).

For media inquiries, please contact corporate media relations at each entity:

Duke Energy Carolinas

-Tim Pettit, (704) 382-4850; TJPettit@dukeenergy.com

ElectriCities of NC (municipals)

- Janice Carney, (919) 760-6232; jcarney@electricities.org

Progress Energy Carolinas

- Mike Hughes, (919) 546-7274; mike.hughes@pgnmail.com

NCEMC (co-ops)

- Jane Pritchard, (919) 875-3104, jane.pritchard@ncemcs.com