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May 22, 2013

Via eTariff

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

**Re: Duke Energy Carolinas, LLC and Duke Energy Progress, Inc.,
Docket No. ER13-83-002.**

Dear Secretary Bose:

In compliance with the Federal Energy Regulatory Commission's ("FERC" "or "Commission") February 21, 2013 *Order on Compliance Filings*,¹ and Section 206 of the Federal Power Act ("FPA"),² Duke Energy Carolinas, LLC ("DEC") and Duke Energy Progress, Inc. ("DEP")³ (collectively, the "Filing Parties") tender for filing a compliance filing in the above-referenced docket ("Second Compliance Filing"). In light of the Commission's rejection of the proposal of the Filing Parties and Alcoa Power Generating Inc. ("Yadkin") to use the North Carolina Transmission Planning Collaborative Process ("NCTPC Process") for regional planning compliance purposes ("First Compliance Filing"), the Filing Parties are submitting this filing under which they propose to use the NCTPC Process for local planning and the Southeastern Regional Transmission Planning Process ("SERTP Process") for purposes of regional planning.

The Filing Parties are submitting this compliance filing under protest in light of their pending March 25, 2013 rehearing request asking that the NCTPC be considered a region for Order No. 1000 purposes. The Filing Parties also recognize that certain

¹ *Duke Energy Carolinas, LLC*, 142 FERC ¶ 61,130 (2013) ("*February 21 Order*").

² 16 U.S.C. § 824e (2006).

³ The Carolina Power & Light Company legally changed its name to Duke Energy Progress, Inc. on April 29, 2013. A future filing will reflect the name change in sections of the OATT other than Attachment N-1.

SERTP Sponsors have submitted compliance filings under protest and have not voluntarily agreed to engage in regional planning as defined by Order No. 1000. Nothing in this filing should be construed as waiving any of their legal challenges to Order No. 1000 which are pending on appeal.

This compliance filing contains the parts listed immediately below in addition to the relevant tariff record:

- Clean Tariff; and
- Marked Tariff.

I. COMMUNICATIONS & SERVICE

The Filing Parties are serving an electronic copy of this filing on the Service List in this proceeding as well as their state commissions.

The Filing Parties request that questions or other communications with them regarding this filing be addressed to the persons identified below.

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II. SELECTION OF SERTP AND STAKEHOLDER PROCESS

In light of the Commission's *February 21 Order*, the Filing Parties assessed their options for enrolling in another region. Given that it appeared to be appropriate to join a neighboring transmission planning region, the Filing Parties had three options – PJM Interconnection, L.L.C. ("PJM"), SERTP, and the South Carolina Regional Transmission Planning Process ("SCRTP"). Although PJM may have permitted the Filing Parties a planning-only membership, the significant differences between the market structures as well as differing approaches to transmission planning would have been quite difficult to resolve. Although the SERTP and SCRTP filed somewhat similar regional compliance proposals, SERTP was the preferred option.

SERTP was selected for several reasons, among which is that the SERTP is a large region that encompasses most of the Southeast. Also, SERTP already was addressing inter-regional coordination with several RTOs, while SCRTP did not have any RTO seams and would not have any if the Filing Parties remained outside the SCRTP. By joining SERTP, the Filing Parties would be in a region that had a seam with transmission planning regions in which their other Duke Energy utility affiliates are located (MISO, PJM and FRCC). The other NCTPC Participants were consulted in making the

determination and did not object to the Filing Parties seeking to enroll in SERTP. The Filing Parties also held discussions with the SERTP Sponsors. The proposal that the Filing Parties enroll in SERTP was discussed at an NCTPC Transmission Advisory Group (“TAG”) stakeholder meeting on April 16, 2013. Again, no entity indicated that it had any objection.

Enrollment criteria under the filed Attachment Ks of the jurisdictional SERTP Sponsors required an enrollee to have a duty to serve in the SERTP region,⁴ thus the SERTP Sponsors⁵ had to determine whether to expand their region’s footprint to include the Filing Parties. In late April, the SERTP Sponsors provided final authorization to the Filing Parties to file a compliance filing that would reflect enrollment in SERTP.

The Filing Parties proceeded to draft amendments to their Joint OATT.⁶ They consulted with the NCTPC Participants on such tariff language and made several changes as a result of that consultation. The revised Attachment N-1 was posted on May 3, 2013 with a request for written stakeholder comments by May 13, 2013. No comments were received. As discussed below, the Filing Parties did not make significant substantive changes to the tariff language describing the SERTP Process, as the other SERTP Sponsors had already filed tariff language that was developed through a stakeholder process.

One of the key points of feedback that the Filing Parties received from the NCTPC Participants, as well as other stakeholders, including the NCUC, was that the NCTPC planning process should largely be retained. The *February 21 Order* suggested that this would be appropriate and that the NCTPC could become a local planning process.⁷ The

⁴ For example, the Southern Company OATT states in Section 12.1 of Attachment K that “A public utility or non-public utility transmission service provider and/or transmission owner having a statutory or tariff obligation to ensure that adequate transmission facilities exist *within a portion of the SERTP region* may enroll in the SERTP.” (Emphasis added).

⁵ The existing SERTP Sponsors are: the Southern Companies; Kentucky Utilities Company (“KU”) and Louisville Gas and Electric Company (“LG&E”) (collectively “LG&E/KU”); Ohio Valley Electric Corporation (“OVEC”); Associated Electric Cooperative Inc., Dalton Utilities, Georgia Transmission Corporation, the Municipal Electric Authority of Georgia, PowerSouth Energy Cooperative, the South Mississippi Electric Power Association, and the Tennessee Valley Authority.

⁶ Note that all references to various sections of the Joint OATT, including Attachment N-1, are references to the tariff records that comprise the Joint OATT – almost all the tariff records have “Accepted” status (as of 12/31/9998) rather than “Effective” status.

⁷ *February 21 Order* at P 39 (“Duke-Progress is not prevented from maintaining NCTPC as part of its local transmission planning process.”).

Filing Parties agree that the NCTPC process has proven to be beneficial and thus it has been retained as their local planning process.

That said, in light of the additional requirements and obligations of Order No. 1000, the Filing Parties gave careful consideration to how to turn the NCTPC into a local planning process that would work seamlessly with the SERTP Process. Because the Filing Parties had always considered the NCTPC Process to be a regional planning process, modifications are necessary to reflect the fact that it would now be a local planning process. The approved, existing NCTPC Process met the requirements of Order No. 890, including the requirement that there be “coordinated, open, and transparent transmission planning on *both* a local and regional level.”⁸ Indeed, the NCTPC Process described in Joint OATT Attachment N-1 was *never* considered to be a local planning process, because Order No. 890 required that each public utility transmission provider submit “a proposal for a coordinated and *regional planning process* that complies with the planning principles and other requirements in this Final Rule.”⁹

III. OVERVIEW OF CHANGES TO ATTACHMENT N-1

A. Impacts of the *February 21 Order*

In the *February 21 Order*, the Commission found that DEC and DEP would be “a single transmission provider for determining compliance with the regional planning requirements of purposes of Order No. 1000.”¹⁰ This ruling has two major impacts on Attachment N-1, one practical and one substantive.

DEC and DEP remain separate corporations and service over their separate transmission systems is not provided on a joint basis. They were referred to throughout Attachment N-1 either by their abbreviated names or by the term “Transmission Providers,” as the Joint OATT defines each of them as a Transmission Provider in Section 1.64. But, because the Commission considers them a single transmission provider for Order No. 1000 purposes, usage of that capitalized term Transmission Provider could be confusing. Therefore, where the separate corporate nature of DEC and DEP needs to be recognized, such as in the local planning process, the word “Company” is used instead of “Transmission Provider.” To reflect the notion that for regional

⁸ *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241 at P 435 (2007) (subsequent history omitted) (emphasis added).

⁹ *Id.* at P 437 (emphasis added).

¹⁰ *February 21 Order* at P 35.

planning purposes, the two Companies are to be treated as a single entity, the term “Duke Transmission Provider” was adopted.

On a more substantive basis, the Commission’s ruling altered the notion of what would constitute “local planning” and a “local project.” For example, as discussed in the Filing Parties’ rehearing request, the Commission could not have found there to be a single DEC-DEP entity for Order No. 1000 purposes and yet still treat them as separate transmission providers for purposes of distinguishing local projects from regional projects.¹¹ Additionally, as already noted, the Order No. 890-compliant version of Attachment N-1 assumed that the NCTPC was a regional planning process. Thus, the use of the term “regional” throughout the existing provisions of Attachment N-1 had to be reconsidered.

B. Organization of Attachment N-1

The Order No. 890 version of Attachment N-1 was comprised of 12 Sections and 3 Appendices. The first nine sections remain in the same order, with some adjustment to their titles, while Sections 11 and 12 have been combined and renumbered as Section 10 and former Section 10 was moved to Section 11. These eleven sections now comprise Part I of Attachment N-1 and the changes to these sections are described below in Section IV. Part II of Attachment N-1 is comprised of entirely new Sections 12-30, as described in Section V below. Of the three Appendices, Appendices 1 and 3 remain unchanged while Appendix 2 was replaced with an Appendix that diagrams the SERTP Process.

IV. LOCAL PLANNING PROCESS (THE NCTPC PROCESS)

A. To the Extent Required, the Commission Should Accept Changes to the Local Planning Process under FPA Section 205

The Filing Parties are well aware of the requirement that compliance filings under FPA Section 206 are supposed to be strictly limited to changes necessary to implement the specific directives of the Commission. The situation presented here, however, is somewhat unique. The Filing Parties previously submitted an Order No. 890-compliant regional planning process that included local planning elements. As already discussed, that NCTPC Process was never intended to be a local planning process. Order No. 1000, however, significantly altered the requirements for a regional planning process.¹² Order

¹¹ Request for Rehearing or, in the Alternative, Clarification at 9-11, Dkt. No. ER13-83 (Mar. 25, 2013).

¹² *E.g.*, Order No. 1000 at P 147.

No. 1000, however, did not appear to require *separate* local and regional processes.¹³ In their First Compliance Filing, the Filing Parties decided to combine their local and regional processes, just as they had in response to Order No. 890. Now, for reasons discussed above, they intend to separate their local and regional processes.

This separation exercise, however, does not mean that the Order No. 890-compliant NCTPC Process could simply be re-labeled as “local” with no changes. Such an approach would have resulted in inefficiencies and placed undue burdens on the Filing Parties in light of the fact that the NCTPC Process included regional planning elements. A re-labeling approach also would not allow the Filing Parties to respond to stakeholder concerns over the specific language filed more than five years ago. Additionally, Order No. 1000 dictates that certain changes be made to the local planning process, such as addressing public policy requirements. Finally, changes to the existing NCTPC Process will permit better integration with the SERTP Process. For these reasons, the Filing Parties contend that all changes proposed to the NCTPC Process fall under the compliance filing rubric of FPA Section 206.

The Filing Parties nonetheless recognize that the Commission may consider some of their changes to the NCTPC Process to actually fall under Section 205 of the FPA. They thus seek waiver of eTariff and other filing requirements, to have this filing treated as a Section 205 filing to the extent necessary. Because the requested effective date is 12/31/9998, the Commission is not compelled to rule on any elements that they consider to be Section 205 changes within 60 days. This approach should save considerable resources. If the Commission were to flatly reject the Filing Parties’ proposed changes that are viewed as being Section 205 changes in nature, the Filing Parties would simply rebundle any such rejected changes and re-file.

B. Section-by-Section Changes

1. Section 1

Section 1, which is largely introductory in nature, has been modified to delineate the regional and local planning processes.

2. Section 2

There are several substantive changes to the NCTPC Process that are first reflected in Section 2, which section describes the NCTPC structure.

¹³ In Order No. 1000, at n.185, for example, the Commission notes that some public utility transmission providers within a region do not engage in local transmission planning, such as in some ISO/RTO regions.

The NCTPC Process has historically included a role for an Independent Third Party (“ITP”). That role was partially administrative, organizing TAG meetings and membership, taking meeting minutes, etc., but the ITP was also given a tie-breaking vote and was thus required to have expertise in transmission planning. Moreover, as a liaison between various NCTPC committees and the TAG, the ITP had to be familiar with transmission planning. The annual expense of retaining an ITP thus was not insubstantial. Neither Order Nos. 890 or 1000 required an ITP. In light of the many additional planning activities required by Order No. 1000, which will add costs to the planning process (additional meetings, travel, etc.), the Filing Parties determined that the role of the ITP could be redefined and perhaps limited. Over the course of the now eight years of the NCTPC, the ITP has never been required to break any ties, which influenced the decision to limit the ITP’s role. The role such entity should ultimately play will be determined as the Filing Parties became more familiar with the new regime. The simplest way to achieve this result is to eliminate mention of the ITP from the Joint OATT. This approach would give sufficient flexibility to the NCTPC.

As a result, the Oversight and Steering Committee (“OSC”) Chair and Vice-Chair will be assigned certain administrative tasks previously assigned to the ITP. The related tariff changes, however, do not mean that tasks being assigned to the OSC Chair and Vice-Chair cannot be delegated to others, including an ITP or a new administrative-type function. The Filing Parties note that the existence of the ITP was not mentioned in any of the 890 Compliance Orders as being necessary to meet planning principle of Order No. 890.¹⁴ In fact, the ITP is not discussed in the Commission orders other than in reciting the Filing Parties’ own explanation of the NCTPC Process. Thus, the elimination of any mention of the ITP should not impact the NCTPC Process’ compliance with Order Nos. 890 and 1000.

Section 2 is also the first section that reflects the elimination of the concept of “enhanced transmission access planning process” or “ETAP,” which will be discussed in Section IV.B.4 *supra*.

The other changes to Section 2 are largely found in Section 2.4.3.1 and reflect more accurate terminology. For example, the transmission plan formerly known as the Collaborative Transmission Plan will now be the Local Transmission Plan. Several other minor language changes have been included because they were previously made in the First Compliance Filing and continued to be appropriate.

¹⁴ *Duke Energy Carolinas, LLC*, 124 FERC ¶ 61,267 (2008) (“First 890 Order”), 127 FERC ¶ 61,281 (2009) (“Second 890 Order”), Docket Nos. OA08-50, et al., Letter Order (Feb. 2, 2010) (“Third 890 Order”) (collectively “890 Compliance Orders”).

3. Section 3

The few changes to Section 3, which addresses the NCTPC procedures for meetings and communications, merely reflect the elimination of references to the ITP and the now local nature of the NCTPC.

4. Section 4

Section 4 previously was an overview of only the ETAP. In preparing the First Compliance Filing, the Filing Parties decided to eliminate the ETAP concept, in part because it was a vehicle for allowing entities to engage in analysis of economically-driven projects and included a means for interested entities to propose and subscribe to Regional Economic Transmission Path projects (“RETP”). The decision to eliminate the ETAP concept was based on the fact that the Order No. 1000 regional process would provide opportunities with regard to proposing regional projects driven by any sorts of needs. The Filing Parties decided to turn Section 4 into an overview of all the key concepts of local planning rather than focusing on the defunct ETAP. Although much of the Section appears in redline, but for the addition of the public policy language, most of the changes reflect a mere rearranging of previously accepted tariff provisions or tariff provisions crafted for the First Compliance Filing, as explained below.

The first paragraph immediately below Section 4 is a re-draft of the start of Section 7 of the First Compliance Filing, describing the purpose of the planning process. The text of the second paragraph previously was found in Section 5.1.6, which was approved by the 890 Compliance Orders. It was moved to a location with a better fit.

Section 4.1 is a new overview of the Local Planning Process, which was not necessary when the regional and local planning were combined. Sections 4.1.1-4.1.4 were previously found in Section 4.3; the prior versions were modified to reflect the local nature of the planning being addressed.

Sections 4.2.1 and 4.2.2 have actually not changed significantly, as those provisions describe the “free”¹⁵ economic studies that may be selected by the TAG for the NCTPC to perform annually. The substantive modifications to the sections eliminate the references to RETPs and reduce the number of free “local” (i.e., within the NCTPC footprint) economic studies from five to three. The reduction in free studies in this section is more than counterbalanced by the addition of five regional economic studies as a result of joining SERTP. Moreover, NCTPC stakeholders have shown little interest in

¹⁵ The studies of course would consume time and resources of the NCTPC, which expense is in turn recovered from ratepayers.

such studies being performed over the years. They have never asked for any economic studies, let alone five.

The next significant change in the NCTPC Process is the elimination of RETPs, which was a participant-funded form of regional transmission project that could be subscribed to by customers seeking to have an RETP constructed. In light of Order No. 1000, the NCTPC viewed the concept as not permissible for retention as a regional planning element, assuming the NCTPC remained a region. That said, the rejection of the NCTPC as a region reinvigorated the concept of stakeholder-requested economic projects located only in the NCTPC footprint, which would now be local projects as discussed *supra*.

Section 4.3 is a new section, addressing public policy requirements in conjunction with Order No. 1000; the text is largely identical to text proposed in the First Compliance Filing, modified to reflect that local needs and local solutions are what is being considered. Under Section 4.3, annually, the NCTPC's OSC and TAG participants will be asked to identify if they are aware of any public policies that are driving transmission needs. Section 4.3.1.1 explains when such identification should be made.

The process for identifying which of the needs proposed by stakeholders for which transmission solutions will be evaluated is described – discussions will be held at the TAG meeting applying the standard set forth in 4.3.2.2, followed by a posted OSC determination. If a public policy requirement is identified and then confirmed by the OSC to be a public policy that is driving a transmission need, the NCTPC will consider solutions to those needs and TAG participants may suggest Local Projects to meet those needs in accordance with the planning process. That is, there is no separate solution-analysis process for public policy solutions. Once the need is identified, solutions may be proposed just as they are for all other types of transmission needs.

As noted in Section 4.3.2.2., local public policy projects are not those projects that satisfy the needs of a single load-serving entity (“LSE”), rather they should provide a collective local benefit. Individual service requests will not be handled through the NCTPC Process, as it would be highly disruptive on the interconnection and transmission queuing processes included in the OATT.

5. Section 5

Section 5, which discusses the data, assumptions, and analysis used to perform planning, reflects only a few changes from the prior accepted version of the section. Once again, the ETAP concept has been eliminated. *See, e.g.*, Att. N-1 Section 5.1.5. As mentioned, existing Section 5.1.6 was relocated to Section 4 due to a better fit. Section 5.3.9, which provides for Status Reports on projects in the Local Transmission Plan, was originally Section 5.10.1 and was amended to better reflect Order No. 1000's

requirements. Section 5.7.4 was added to explain that any solution to a transmission need the sponsor of which is seeking regional cost allocation would need to submit its proposal for such project in accordance with the Regional Planning (i.e., SERTP) Process.

Section 5.9.6 was added to state that the Local Transmission Plan that results from the process described in Section 5 would be used as an input into the SERTP Process. The Local Transmission Plan identifies local transmission needs and proposes solutions to those needs such that when the regional planning process is initiated there is a baseline understanding of what needs must be addressed and the costs associated with the solutions already under consideration.

6. Section 6

The dispute resolution provisions of Section 6 have been amended first to delete the reference to the ITP. The “Tariff Dispute” has been altered to reflect that it now is limited to local planning process disputes. Former Section 6.5 has been deleted because as discussed below, the notion of a Regional Reliability Project has been overhauled, and disputes involving the replacement concept -- Joint Local Reliability Projects, would be addressed pursuant to Section 6.4. Dispute resolution relating to the SERTP Process is addressed in Section 17.

7. Section 7

Under Order No. 890, transmission providers were compelled to craft cost allocation methodologies for “projects that do not fit under the existing structure, such as regional projects involving several transmission owners or economic projects that are identified through the study process described above, rather than through individual requests for service.”¹⁶ The Filing Parties abided by this requirement by creating two new cost allocation methodologies – one for “Regional Reliability Projects” and one for “RETPs.” Although Order No. 1000 seemingly eliminated the requirement for alternative cost allocation proposals other than for regional projects (as that term was redefined), in light of the decision to treat DEC and DEP as a single transmission provider for Order No. 1000 purposes, the Filing Parties decided to largely retain the alternative cost allocation approaches and instead apply them to “joint local” projects, i.e., projects within the NCTPC footprint that involve more than one transmission owner. Importantly, these cost allocation approaches were not and are not designed to meet the Order No. 1000 six pricing principles for the simple reason that they are not applied to regional projects; rather, they are multi-owner local projects.

¹⁶ Order No. 890 at P 558.

In order to implement this set of changes, the Filing Parties had to add a definition of Joint Local Reliability Project and Joint Local Economic Project, which largely mirror the prior concepts of Regional Reliability Projects and RETPs. For Joint Local Reliability Projects, the cost allocation approach remains an avoided cost approach. As to Joint Local Economic Projects, the approach also remains the same – requestor pays. Both these approaches were reviewed and accepted in the 890 Compliance Orders. The Filing Parties made some minor modifications with regard to economic projects in dropping the open season concept. Customers interested in pursuing such projects should be able to identify each other without the formal structure of an open season.

8. Section 8

The only changes to Section 8, which addresses allocation of the costs of planning, relate to the removal of the ETAP concept. The Filing Parties also note that Section 8.2 would now encompass costs associated with SERTP planning activities performed by the Filing Parties.

9. Section 9

Changes to the confidentiality provisions of Section 9 relate to the decision to remove references to the ITP from the OATT.

10. Section 10

The existing sections (11 and 12) on Integrated Resource Planning (“IRP”) and Local Planning have been combined into Section 10. The IRP provisions remain unchanged. The Local Planning section has been renamed “Sub-Local Planning” to reflect the notion that the NCTPC is now a local planning process. A few minor wording changes also have been made for consistency.

11. Section 11

The Filing Parties’ Attachment N-1 previously addressed Inter-Regional Coordination in Section 12. That section has been renumbered and retitled “Additional Coordination” to indicate that the activities described are not the regional or inter-regional processes required by Order No. 1000, but rather describe the coordination activities that pre-dated Order Nos. 890 and 1000 and which are expected to continue. The section has been edited to address the use of the term “region,” which has a specific meaning in light of Order No. 1000. The various coordination activities undertaken from time-to-time by DEC and DEP under Section 11 are neither regional or inter-regional in nature, as FERC uses those terms. Section 11.3.1 also has been edited to reflect VACAR’s current membership. Finally, Section 11.4 has been simplified in light of the

fact that the list of utilities with which DEP and DEC have bilateral agreements changes from time-to-time and/or the names of those utilities change.

C. Conclusion

The NCTPC Process remains fully compliant with Order No. 890. None of the changes proposed undermine prior Commission findings on the justness and reasonableness of NCTPC Process. As required by Order No. 1000, the local planning process now addresses public policy requirements.

V. REGIONAL PLANNING PROCESS

A. Sections 12-30 Reflect the SERTP Process Already Developed

The three FERC-jurisdictional SERTP Sponsors (“Existing Jurisdictional SERTP Sponsors”) filed their Attachment Ks earlier this year. The three Existing Jurisdictional SERTP Sponsors submitted very similar regional compliance filings, although OVEC and the Southern Companies effectively combined their local and regional planning processes, while LG&E/KU retained a separate local planning process. Because the Filing Parties decided to retain a local planning process, they used Sections 11-31 (including a Preamble prior to Section 11) of the LGE/KU Attachment K as their base document in creating Sections 12-30 of their Attachment N-1.

There are very few substantive differences between the LG&E/KU Attachment K Sections 11-31 and the Filing Parties’ Sections 12-30.¹⁷ The first substantive change is in Section 13.3 where the Filing Parties deleted a sentence discussing the original purpose of SERTP in light of their non-participation in the origins of the SERTP. Next, given that the Filing Parties’ Attachment N-1 fully addresses the recovery of the costs of transmission planning activities in Section 8, they decided to eliminate the brief section on that subject submitted by LG&E/KU, which was merely a cross-reference to another tariff provision.

Finally, the Filing Parties added a provision relating to the eligibility of projects for regional cost allocation, which is referred to as “RCAP” in the SERTP Process. Section 23.2.5 provides that a RCAP “must not be a “Local Project” as that term is defined in this Attachment N-1.” Local Project is defined in Section 4 as “a transmission facility located solely within the NCTPC footprint.” In Order No. 1000, the Commission found that the requirement to eliminate a federal right of first refusal does not apply to

¹⁷ The Filing Parties used their own numbering scheme, did not use “[Reserved] Sections,” and made a few minor wording changes to conform with the first eleven sections.

local transmission facilities.¹⁸ Under the language adopted by the Existing SERTP Jurisdictional Sponsors, projects located entirely within the Duke Transmission Provider footprint could qualify for RCAP status, and be open to development by nonincumbents, without this additional limitation on eligibility. Order No. 1000 “does not require removal of a federal right of first refusal for a local transmission facility.”¹⁹ The changes to Section 4 and 23.2.5 relate to local transmission facilities (i.e., those within the NCTPC footprint) and are fully consistent with the Commission’s finding that the NCTPC can be used as a local planning process.²⁰

B. Compliance with Order No. 1000

In light of their adoption, essentially verbatim, of the LG&E/KU document, which in turn largely matches the Attachment Ks of the other Existing Jurisdictional SERTP Sponsors, the Filing Parties are not submitting a detailed discussion of how the SERTP Process complies with the regional planning requirements of Order No. 1000, as it would merely be repetitive of the nearly-identical filing letters already submitted by the Existing Jurisdictional SERTP Sponsors. The Filing Parties adopt such submissions, in Docket Nos. ER13-908, ER13-897, ER13-913 by reference.

VI. EFFECTIVE DATE AND TRANSITION ISSUES

The Existing Jurisdictional SERTP Sponsors proposed that the OATT provisions become effective at the start of the next practical transmission planning cycle/year following FERC acceptance of their compliance filings, assuming that the Commission largely adopts this filing and issues such an order sufficiently before the beginning of that next year to allow for commencement of implementation. They expected that the effective date would be January 1, 2014, but used the date 12/31/9998 in their electronic metadata to reflect that there is some uncertainty in this regard. They explained that should the Commission require extensive changes, it may not prove feasible to effectuate those changes to the transmission planning process by January 1, 2014. The Filing Parties are likewise submitting their Attachment N-1 with a 12/31/9998 effective date.

Wherefore, the Filing Parties request that the Commission accept their Attachment N-1.

¹⁸ Order No. 1000 at PP 226, 258, 318.

¹⁹ *Id.* at P 258.

²⁰ *February 21 Order* at P 39.

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Respectfully submitted on behalf of the Filing
Parties,

/Jennifer L. Key/

Jennifer L. Key
Attorney for Duke Energy Carolinas, LLC and
Duke Energy Progress, Inc.

Attachments