

North Carolina Transmission Planning Collaborative

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Collaborative Transmission Plan identifies 10 major reliability projects

RALEIGH, N.C. -- Participants in the North Carolina Transmission Planning Collaborative (NCTPC) have identified 10 major reliability transmission projects as part of the 2016-2026 transmission plan (2016 plan) for N.C. The projects represent more than \$214 million in investments during the next decade.

The 2015 plan included an estimate of \$156 million for eight projects. The modified projects for Duke Energy Progress and Duke Energy Carolinas in the 2016 plan, relative to the 2015 plan, include two new Duke Energy Progress projects, one new Duke Energy Carolinas project and one Duke Energy Carolinas project that was placed in service. In-service dates and cost estimates for some projects in the 2016 plan that are planned or underway have been revised based on updated information.

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

Since its inception in 2005, projects totaling more than \$1 billion have been identified in the NCTPC plans. More than \$618 million in projects have been placed into service through the end of 2016, \$214 million are still in the planning stage and another \$199 million are being deferred until after 2026 or cancelled as a result of changing transmission system requirements.

The NCTPC was established to provide participants and other stakeholders an opportunity to participate in the electric transmission planning process for North Carolina and develop a single coordinated transmission plan for North Carolina electric utilities that includes reliability and local economic study transmission planning considerations. The group's priority is to appropriately balance costs, benefits and risks associated with the use of transmission and generation resources.

Another goal of the NCTPC is to study the vulnerability of North Carolina's transmission infrastructure. The scope of the 2016 NCTPC study included a base reliability analysis for transmission needs to meet load growth between 2016 and 2026. In 2016, the NCTPC also performed two stress tests to the transmission systems of Duke Energy Carolinas and Duke Energy Progress as a part of the reliability planning process. These two additional studies included:

1. Analysis of a hypothetical event resulting in a long-term outage of a power plant and needing replacement power resources from neighboring systems. To address this hypothetical scenario Duke Energy Progress would have to invest \$17 million to upgrade its transmission system to ensure future reliability.
2. Analysis of what transmission upgrades would be required to eliminate the use of specific operating procedures currently in effect on the Duke Energy Carolinas and Duke Energy Progress systems for mitigating reliability violations under peak

operating conditions. The transmission upgrades required to ensure future reliability under this hypothetical scenario totaled \$28 million, \$5 million from Duke Energy Carolinas and \$23 million from Duke Energy Progress.

The 2016 plan report including the reliability results as well as the results from various tests sensitivities can be viewed on the NCTPC website under the Reference Documents section at <http://www.nctpc.org/nctpc/home.jsp>.

The major transmission projects identified in the 2016 plan are expected to be implemented during the next 10 years by transmission owners to preserve system reliability and improve economic transfers across the transmission network. Major projects are defined as those requiring transmission investments of more than \$10 million. These planned projects are subject to change based on evolving system conditions. The plan is updated annually.

"The goal of the NCTPC is to enhance planning of the transmission system in North Carolina," said Duke Energy's Edgar Bell, chair of the NCTPC Oversight Steering Committee. "By bringing participating utilities and stakeholders together in this forum, we can better understand the changing conditions impacting the electric system and develop a plan to ensure customers receive reliable and cost-effective access to electricity today and in the future."

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. Stakeholders interested in joining the TAG or receiving information about the NCTPC process can sign up by going to the NCTPC website: <http://www.nctpc.org/nctpc/home.jsp>.

The NCTPC process includes the use of an administrative consultant, who serves 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 administrative consultant for the NCTPC process is Richard Wodyka. He may be contacted via email at rawodyka@aol.com.

If you have any comments or questions on the NCTPC process or the 2016-2026 Collaborative Transmission Plan Study Report, contact Edgar Bell at edgar.bell@duke-energy.com or 704.382.4393.

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