

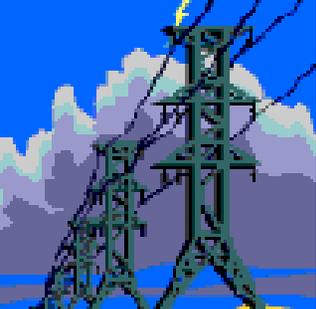
# *Duke/Progress Strawman*



SEARUC Conference

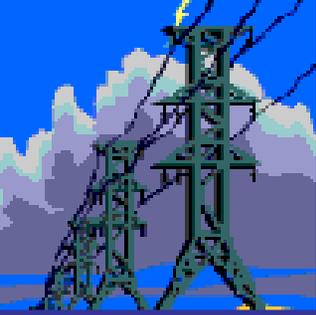
Little Rock, AR

June 4, 2007

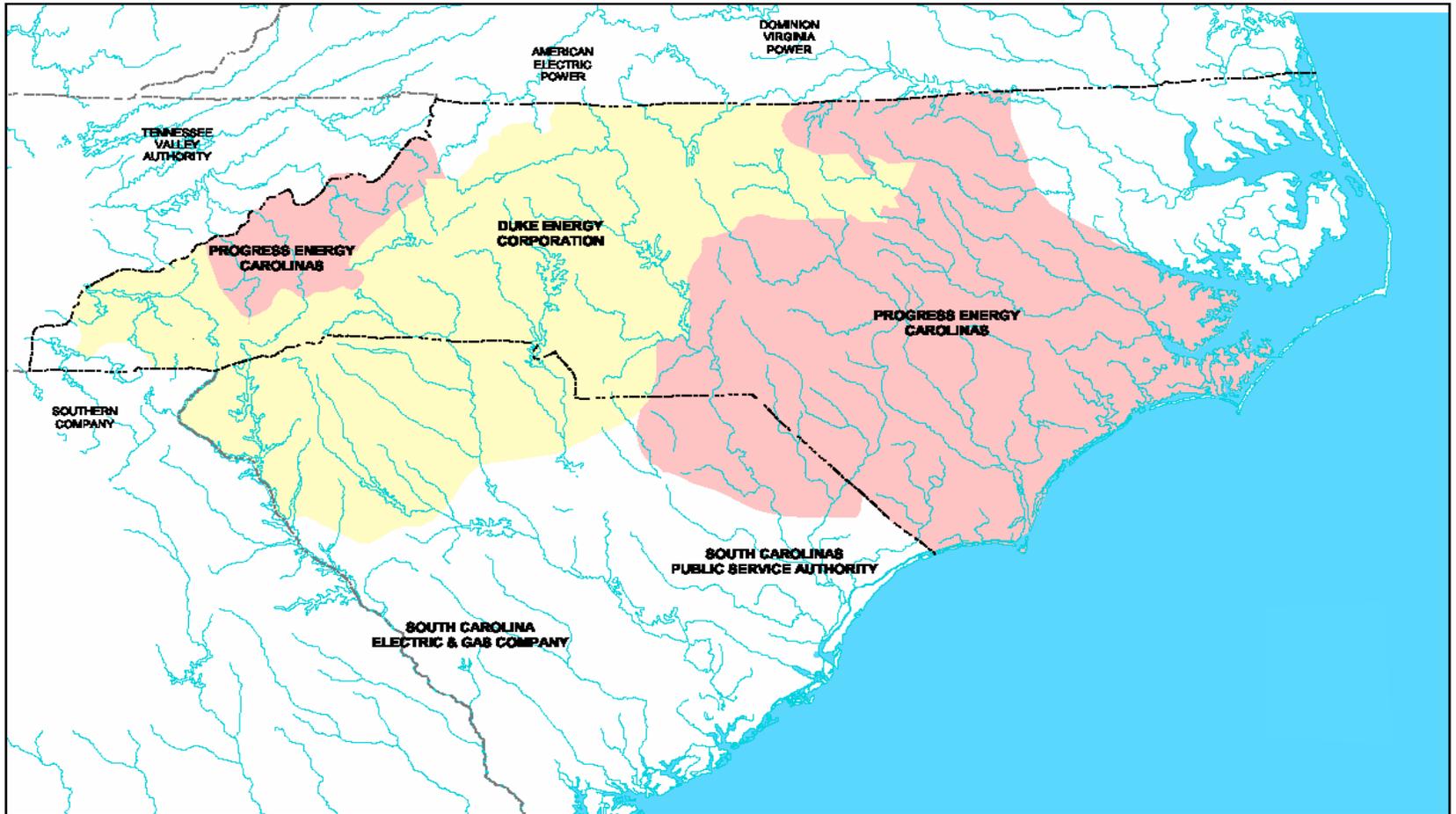


# *Duke/Progress Strawman*

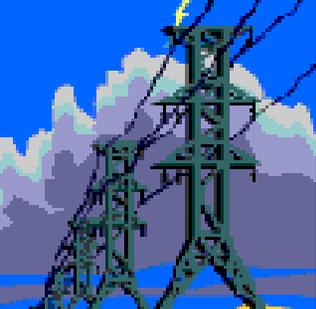
- Three Key Elements of Strawman Proposal:
  1. North Carolina Transmission Planning Collaborative (NCTPC)
  2. Regional Planning through SERC, SERC - RFC East and VACAR and other study agreements
  3. State Integrated Resource Planning
- Collaborative Participants together serve 95% of North Carolina's load and 45% of South Carolina's load from the transmission systems of Duke and Progress



# Duke/Progress Strawman



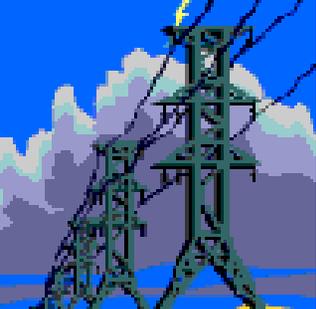
January 1, 2000



# *Duke/Progress Strawman*

## NCTPC Highlights

- Participation Agreement executed May 20, 2005
- Four Participants – Duke, Progress, North Carolina Electric Membership Corporation, and Electricities - representing virtually all of the North Carolina LSE's
- Agreement creates and implements a collaborative transmission planning process for the Participant's respective service areas
- Produced the first - 2006 Collaborative Transmission Plan in January 2007 which covers the planning horizon through 2016
- Published a Supplement to the 2006 Plan in April 2007



# *Duke/Progress Strawman*

## NCTPC Goals

- Provide Participants and stakeholders an opportunity to fully participate in regional transmission planning
- Preserve integrity of the current reliability and integrated resource planning process
- Include analysis of increasing transmission access to potential economic resources inside and outside the Duke and Progress control areas
- Integrate reliability planning and enhanced access planning into a single collaborative transmission plan



# *Duke/Progress Strawman*

## NCTPC Governance

### **Oversight / Steering Committee (OSC)**

- Sets NCTPC policy, oversees the Process and approves the Transmission Plan

### **Planning Working Group (PWG)**

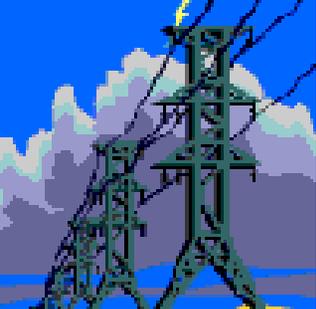
- Develops planning models, performs analysis, identifies problems, develops solutions and a recommended plan

### **Transmission Advisory Group (TAG)**

- Provides advice and recommendations on the Process and the Transmission Plan
- Submits enhanced access options for analysis

### **Independent Third Party (ITP)**

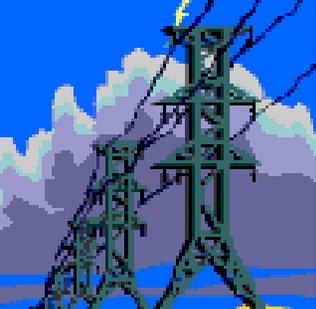
- Provides advice on various issues and facilitates the Process to achieve consensus



# *Duke/Progress Strawman*

## Regional Organizations and study agreements

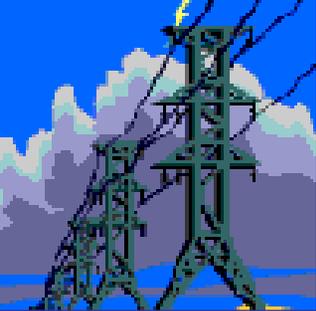
- SERC Regional Planning Process
  - Joint studies to assess the transmission performance of the SERC region
  - Share modeling data, study assumptions, and transmission expansion plans
- VACAR Planning Process
  - Conduct similar studies to the SERC Process but focus specifically on the VACAR sub region
- SERC - RFC East study group
  - Transmission studies between TVA, VACAR and a portion of eastern PJM
- Numerous planning and operating study agreements
  - Coordinated transmission planning studies on as-needed basis



# *Duke/Progress Strawman*

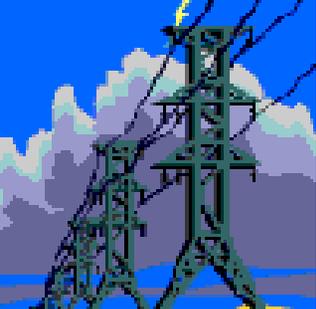
## State Integrated Resource Planning

- Individual assessments of the bulk transmission systems
- NC Commission IRP
  - Analyze load growth, future generation requirements along with conservation, load management and demand- side options
  - Includes planned transmission upgrades required to supply system demand during the 10 year forecast period
- SC Commission IRP
  - Evaluate the cost effectiveness of supply-side and demand-side options in an economic and reliable manner covering a 15 year forecast period



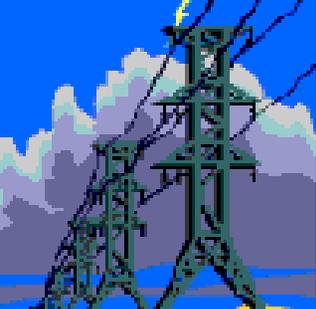
# Duke/Progress Strawman

FERC Order 890 Principles	Duke/Progress Strawman
1. Coordination	<b>Compliant</b>
2. Openness	
3. Transparency	
4. Information Exchange	
5. Comparability	
6. Dispute Resolution	
7. Regional Participation	
8. Economic Planning Studies	
9. Cost Allocation	<i>Work in Progress</i>



# *Duke/Progress Strawman*

- Primarily meets Order 890 requirements through the NCTPC Process
  - NCTPC provides for input and collaboration at the detailed level for transmission modeling, analysis, and planning as well as at the steering and oversight levels
  - Result - Single Regional Collaborative Transmission Plan that covers 95% of NC load and 45% of SC load
- In addition to the NCTPC Process, Duke and Progress
  - Participate in regional and inter-regional transmission planning efforts such as SERC, SERC- RFC East and VACAR
  - Coordinate transmission planning through other study agreements as-needed
  - Participate in State Integrated Resource Planning
- Support the full participation of all stakeholders in Regional Transmission Planning



# *Duke/Progress Strawman*



Questions ?

