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FERC Accepts Duke-Progress Proposal to Join SERTP Planning Region

The Federal Energy Regulatory Commission today approved a proposal by the North Carolina utility subsidiaries of Duke Energy Corp. to join the Southeastern Regional Transmission Planning (SERTP) process, saying it meets the regional planning requirement of Order No. 1000. In doing so, FERC denied rehearing of its prior finding that Duke Energy Carolinas LLC and Carolina Power and Light Company (Duke-Progress) are a single transmission provider and lack the scope of a transmission planning region, even when joining with the transmission facilities of Alcoa Power Generating (Yadkin).

Because Duke-Progress relied on the SERTP filing that was previously determined to partially comply with Order No. 1000, today's decision directs the company to make a further compliance filing within 60 days. The order notes that the Duke utilities are working with the SERTP sponsors as they develop their second compliance filing. Other SERTP sponsors include Louisville Gas and Electric Co., Kentucky Utilities Co., the utility subsidiaries of Southern Company and Ohio Valley Electric Corp.

The order also accepts Duke-Progress' use of the North Carolina Transmission Planning Collaborative (NCTPC) for the local transmission planning process, but requires changes to the proposed definition of local projects as those solely within the NCTPC. Local projects must be defined as those solely within the combined Duke-Progress transmission system footprint and not selected for cost allocation in the regional planning process, FERC said.

Today's order also rejects a second compliance filing by Yadkin, whose facilities are minimal and completely landlocked by the Duke-Progress grid. Yadkin said in the filing its only realistic prospect for Order No. 1000 compliance is to join any transmission planning process selected by Duke-Progress, and proposed no tariff revisions. Yadkin has 60 days to request a waiver of the requirements of Order No. 1000 or to file tariff revisions to join a regional transmission planning process.

R-14-07

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