

The Southeastern Regional Transmission Planning (SERTP) process received three (3) stakeholder proposals of possible transmission needs driven by Public Policy Requirements (PPR) for the 2015 planning cycle. A description and assessment of each proposal is explained below.

Stakeholder Proposal #1

Description

- **Proposed By:**
Southern Environmental Law Center, Sustainable FERC Project, Natural Resources Defense Council
- **Proposed PPR(s):**
North Carolina's Renewable Energy and Energy Efficiency Portfolio Standard (NC REPS).
- **Possible Transmission Need:**
Adequate transmission to access eligible resources named in the NC REPS.

Summary of Assessment:

The proposed PPR is an enacted state law and/or regulation specific to North Carolina. As such, in the context of the SERTP Sponsors, the proposed PPR is primarily applicable to Duke Energy.

Current implementation requirements of the proposed PPR have been factored into the resource assumptions for the 2015 transmission planning cycle. Any further changes to the resource assumptions in association with the NC REPS, if applicable, will be evaluated through Duke Energy's local transmission planning process. Until such resource decisions are made, typically through state-regulated processes, the proposed PPRs do not drive a transmission need(s).

Based on the explanation above, no transmission needs for the proposed PPR have been identified for further evaluation of potential transmission solutions in the 2015 transmission planning cycle.

Stakeholder Proposal #2

Description

- **Proposed By:**
Southern Environmental Law Center, Sustainable FERC Project, Natural Resources Defense Council
- **Proposed PPR(s):**
Carbon Pollution Emission Guidelines for Existing Electric Utility Generating Units (Clean Power Plan).
- **Possible Transmission Need:**
Identify the possible transmission changes due to the potential scale of generation changes.

Summary of Assessment:

The proposed PPR is not an enacted local, state, or federal law and/or regulation.

Based on the explanation above, no transmission needs for the proposed PPR have been identified for further evaluation of potential transmission solutions in the 2015 transmission planning cycle.

Stakeholder Proposal #3

Description

- **Proposed By:**
Southern Environmental Law Center, Sustainable FERC Project, Natural Resources Defense Council

- **Proposed PPR(s):**
 - 1) National Primary Ambient Air Quality Standards for Sulfur Dioxide (SO₂ NAAQs).
 - 2) National Pollutant Discharge Elimination System Requirements for Cooling Water Intake Structures at Existing Facilities (Cooling Water Intake).
 - 3) Cross-State Air Pollution Rule (CSAPR).
 - 4) Disposal of Coal Combustion Residuals from Electric Utilities (CCR).

- **Possible Transmission Need:**
Invest in transmission infrastructure due to cumulative impact of the proposed PPRs, which could affect generation resource retirements.

Summary of Assessment:

The proposed PPRs are enacted federal laws and/or regulations. As these proposed PPRs pertain to the electric utility industry, they are generally applicable to generator owners. With the exception of CSAPR, the implementation of such PPRs has not yet begun. For CSAPR, current implementation requirements have been factored into the resource assumptions for the 2015 transmission planning cycle.

The SERTP Sponsors reflect the latest generation resource assumptions provided by load serving entities (LSEs) in the then-current modeling and transmission planning analyses. Due to the various possible options for generator owners to satisfy the proposed PPRs, coupled with no such entity(ies) or load serving entities (LSEs) requesting changes to the resource assumptions for the 2015 transmission planning cycle, the evaluation of potential transmission solutions in the 2015 transmission planning cycle is premature. Until such resource decisions are made, typically through state-regulated processes, the proposed PPRs do not drive a transmission need(s).

Based on the explanation above, no transmission needs for the proposed PPRs have been identified for further evaluation of potential transmission solutions in the 2015 transmission planning cycle.