



Duke Energy Progress Process for Transmission Services

The specific processes that must be followed for obtaining transmission service are detailed in Joint Open Access Transmission Tariff of Duke Energy Carolinas, LLC, Florida Power Corporation and Carolina Power & Light Company.

1. How to Acquire a Copy of the Joint OATT:

An electronic version is available for downloading from Progress Energy's website at <http://www.ferc.duke-energy.com/> or it can be sent at no charge to your Internet e-mail address. Requests may be addressed to the following individuals:

Mike Anthony, PE
Manager-Tariff Administration and Business Services
Duke Energy Progress, Inc.
3401 Hillsborough St.
Raleigh, NC, 27607
(919) 546-5690
michael.anthony@duke-energy.com

2. Services Available

In general, the Joint OATT provides for two types of transmission service – Point-to-Point and Network Integration Service. Ancillary Services needed to support the transmission service are also offered.

2.1 Point-to-Point Service

Point-to-Point Service is available to Eligible Customers (as defined by the Tariff), to transmit wholesale sales-for-resale into, out of, within or across the Duke Energy Progress transmission system from a Point of Receipt to a Point of Delivery. The services which can be provided are:

1. Firm Point-to-Point Service (for periods greater than twelve months),
2. Short-Term Firm Point-to-Point Service (for periods between one day and twelve months, and
3. Non-Firm Point-to-Point Service (for periods of one hour to one month but subject to availability).

Please review Part II of the Tariff for further clarification of terms and details. All requests for this service (Point-to-Point) must be made via the Duke Energy Progress OASIS site.

2.2 Network Integration Transmission Service

Network Integration Transmission Service is a transmission service that allows Eligible Customers to efficiently and economically utilize their Network Resources to serve their designated Network Load in a manner comparable to that in which Duke Energy Progress utilizes its Transmission System to serve its Native Load Customers. Network Integration Transmission Service applications should be filed by submitting an application for service directly to:

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Due to the nature of the service, the application process for Network Integration Transmission Service is more complex than Point-to-Point Service. Please review Part III of the Tariff for further clarification of terms and details.

2.3 Ancillary Services

Six ancillary services are available in conjunction with transmission service on the Duke Energy Progress system. Although not all ancillary services are required to be purchased from Duke Energy Progress for transmission service obtained from Duke Energy Progress, the customer must provide for the acquisition of these services from some source agreeable to Duke Energy Progress. For any transmission service obtained from Duke Energy Progress, the customer is required to purchase Scheduling, System Control and Dispatch Service (Schedule 1) and Reactive Supply and Voltage Control from Generation Sources Service (Schedule 2) from Duke Energy Progress. When loads are located within the Duke Energy Progress Balancing Authority, Duke Energy Progress is required to offer the customer the remaining four ancillary services. The customer is free to choose from those services offered by Duke Energy Progress or those offered by other suppliers. Certain restrictions may apply on the selection of the supplier of these remaining services depending upon the specifics of the transmission service provided.

3. Requesting Transmission Service

3.1 Point-to-Point Service

Prior to the commencement of Point-to-Point Service, there are several conditions that the Eligible Customer must meet:

1. The Tariff, in Sections 17.1-17.3 of Part II, outlines the specific information that must be submitted for a Completed Application, including a deposit, for any firm service. Also, please include your Dunn & Bradstreet number in your application.
2. Upon receipt of a Completed Application, if Duke Energy Progress determines that a System Impact Study or a Facilities Study are needed, formal study agreements must be executed before the work on the study(ies) can proceed. There are additional charges for performing these studies.
3. All Point-to-Point Service requests must be submitted over the OASIS (See Section 4). With respect to a long-term Point-to-Point request, the Completed Application (including a deposit) must be submitted to Duke Energy Progress within 4 days of the OASIS queue date. Failure to do so will result in the OASIS request being given a status of INVALID.
4. After a Completed Application has been submitted to Duke Energy Progress, and after any required studies have been performed, Duke Energy Progress will prepare and an Eligible Customer may execute a Service Agreement to bind both parties to the terms of the Tariff. If both parties cannot reach agreement on the Service Agreement, the Eligible Customer may request that Duke Energy Progress file an unexecuted Service Agreement.
5. Upon request, Duke Energy Progress will execute Short-Term Firm and/or Non-Firm Service Agreements as umbrella agreements to facilitate service. If you are an Eligible Customer and have plans to request either of these types of transmission service at a later time, Duke Energy Progress will execute the appropriate Service Agreements with you prior to your submission of the Completed Application and any required deposit. Duke Energy Progress will then file the Service Agreements with the Commission. This is applicable to Point-to-Point Non-Firm and Short-Term Firm Service only (see Tariff Attachments B and A, respectively).

3.2 Network Integration Service

Prior to the commencement of Network Integration Service, there are several conditions that the Eligible Customer must meet:

1. The Eligible Customer must complete an Application for service as provided under Part III, Section 29.2 of the Tariff. A deposit for one month's fees must accompany this application.
2. The Eligible Customer and the Transmission Provider must complete the technical arrangements set forth in Sections 29.3 and 29.4.
 - a. All facilities which connect to the Duke Energy Progress system must conform to Good Utility Practice and Duke Energy Progress standards and practices.
 - b. The Network Customer shall be solely responsible for constructing or installing all facilities on the Network Customer's side of each delivery point or interconnection. The Eligible Customer's facilities provided must coordinate with Duke Energy Progress Transmission Services Operations to ensure a smooth transfer of services. This coordination is necessary to provide uninterrupted service to Network Load during the transfer of service from the current wholesale provider to a new provider.
3. The Eligible Customer must execute a Service Agreement pursuant to Attachment F for service under Part III of the Tariff or request in writing that Duke Energy Progress file an unexecuted Service Agreement with the Commission.
4. The Eligible Customer must execute a Network Operating Agreement with the Transmission Provider pursuant to Attachment G.
5. An Eligible Customer requesting Network Integration Transmission Service to serve Network Load inside Duke Energy Progress Balancing Authority with Network Resources outside Duke Energy Progress Balancing Authority who chooses to not dynamically schedule, but rather settle its accounts on an after-the-fact basis at the end of the billing month, must take Ancillary Services under Service Schedules 3, 4 and 5 from Duke Energy Progress since Duke Energy Progress would be providing those services real-time.

4. Using the OASIS to request Point-to-Point Service

1. All requests for Point-to-Point Transmission Service must be submitted to Duke Energy Progress via the OASIS.
2. Eligible Customers must fill out the OASIS form completely and correctly in order for Duke Energy Progress to accept the reservation. The fields that must be completed are:
 - a. Under Seller Information, enter Duke Energy Progress.

- b. Under Path and Point of Receipt/Point of Delivery Information, enter one of the following depending on the situation:
 - i. Enter POR and POD on a Pass-Through Deal.
 - ii. Also enter the Source and Sink if different from the POR and POD.
- c. Enter the Path for deals that are originating or ending in Duke Energy Progress Balancing Authority. The Sink should be entered if Duke Energy Progress is not the receiving party.
- d. Under Transmission Information, enter the Capacity, Capacity Type, Price and select Pre-confirmed, if appropriate. Capacity Values requested should not be greater than the posted ATC value.
- e. Capacity Type-Begin and End Times should fall within the time span for the Capacity Type that is requested. Price-Value entered should match the prices that are posted under offerings or found under the Service Type description. Price is not required. Current rate will be applied if this field is left blank. Enter the Begin Date, Time and End Date, Time for the request.

5. Using the OASIS to Designate Network Resources for Network Service

Please review the following document posted on the Duke Energy Progress OASIS under the category of "Business Practices:"

"Network Integration Service Business Practices (PDF Format)"