Attendees
David Beam                     NCEMC
Ed Ernst, Chair                Duke Energy
Janice Hager                   Duke Energy
Clay Norris                   ElectriCities
Rich Wodyka                    Gestalt
Andy Fusco                    ElectriCities
Nina McLauren                 Progress Energy
Mark Byrd                      Progress Energy
Bryan Guy                      Progress Energy
Jeff Trepel                    Duke Energy
Brian Moss                     Duke Energy
Kendall Bowman (on phone)     Progress Energy
Art Hubert                     ElectriCities
Diane Huis                    NCEMC

1. Administrative
   • The OSC Chair called the meeting to order at 10:05 AM.
   • Mr. Ernst requested revisions to meeting minutes. The June 20, 2007 minutes and
     highlights were approved with minor revisions.

2. Special Issues
   FERC Order 890
   • SERC Wide Area Planning Update
     There is a stakeholder desire for economic studies, with a single forum for executing these
     requested studies. Discussions are being held on the development of this type of forum. At
     this time this forum is being developed outside the SERC umbrella.

   • Cost Allocation Principle Discussion
     Discussion on cost allocation continued from the June 20, 2007 meeting. The group agreed
     that Generation Interconnection Cost Allocation was out of the scope of this discussion, as
     this is covered under the FERC approved OATTs. Mr. Norris presented and the group
     discussed the possibility of a joint ownership arrangement. The group decided that the
     discussion needs to continue at the next meeting and clarification should be sought on
     “regional projects that do not fit under existing OATT cost allocation structures” from FERC.
     The group agreed that a timeline to meet the Order 890 Attachment K filing on Transmission
     Planning was as follows:
• September 1 - Agreement on the cost allocation principles and key points of Attachment K filings in order to allow time to approach the state commissions, FERC staff, the TAG group, etc. prior to the October filing deadline.
• September 14 - Review with TAG
• October 11 - Filing due date

**South Carolina Entities Update**
Since the last OSC meeting, Duke and Progress Energy have continued discussions with Santee and SCE&G. Duke and Progress Energy developed a proposed joint reliability assessment effort among the NC and SC companies. A call was held with Santee and SCE&G to discuss this proposal and there was agreement that this type of reliability assessment could be performed by the VACAR Power Flow Working Group (PFWG) under the direction of the VACAR Planning Task Force (PTF).

3. **OSC Items**
   • NCTPC Participation Agreement revisions to ensure compliance with Order 890
   Mr. Wodyka discussed revisions to the NCTPC Participation Agreement to ensure compliance with Order 890. It was agreed that any changes to the agreement would be made at a later date once the Attachment K filings for Duke and Progress are closer to completion.

4. **PWG Update**
   • Status Report of Current Activities
   An updated list of major projects has been posted on the website. The PWG will also post its scope document on the website. Progress is bringing a representative to the next PWG meeting to discuss TRM study practices.

   • Proposed additional RSO scenario for 2006-07 study
   The PWG is looking at a 1200 MW Duke to CPLE RSO scenario with solution alternatives.

5. **Meeting Adjourned at 2:15 PM**