



Lawrence B. Somers
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December 16, 2015

VIA ELECTRONIC FILING

Ms. Gail Mount, Chief Clerk
North Carolina Utilities Commission
430 North Salisbury Street – Dobbs Building
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

**RE: Duke Energy Progress, LLC – Notification of Intent to File
Application for Certificate of Public Convenience and Necessity for
Western Carolinas Modernization Project
Docket No. E-2, Sub 1089**

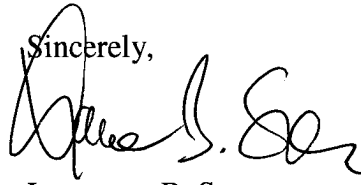
Dear Ms. Mount:

Pursuant to Session Law 2015-110, I write to notify the Commission that Duke Energy Progress, LLC (“DEP” or the “Company”) plans to file an Application for a Certificate of Public Convenience and Necessity (“CPCN”) to construct the Western Carolinas Modernization Project at the Company’s existing Asheville plant site in Buncombe County, North Carolina on or after January 15, 2015. The Western Carolinas Modernization Project consists of two new natural gas-fired 280 MW (winter rating) combined cycle units, with fuel oil back up; a natural gas-fired 192 MW (winter rating) simple cycle combustion turbine unit, with fuel oil back up, whose need may be avoided or delayed due to the utilization of other technologies and programs to meet the future peak demand requirements of DEP customers in the region; and future new solar generation at the Asheville plant site. DEP is currently in the early stages of exploring these alternative peak load resources and will be working with DEP customers to maximize their deployment and effectiveness. The Western Carolinas Modernization Project will enable the early retirement of the 379 MW (winter rating) Asheville 1 and 2 coal units on or before the commercial operation of the new combined cycle units, thereby permanently ceasing operations of all coal-fired units at the site.

As will be set forth in detail in the Company's forthcoming CPCN application, the Asheville Combined Cycle units will provide cost-effective baseload generation for DEP's customers in North Carolina and South Carolina, and are planned for commercial operation in the Fall of 2019. The contingent Asheville Combustion Turbine unit would provide cost-effective peaking generation for DEP's North Carolina and South Carolina customers, and would potentially begin commercial operation in 2023 if the current peak demand growth is not sufficiently reduced by the alternative approach discussed above.

The new solar generation facility will be subject to a future CPCN application once the coal unit demolition plans have been sufficiently completed to determine the site configuration that will enable the optimum amount of new solar generation facility at the Asheville site for the benefit of the Company's customers in North Carolina and South Carolina.

Thank you for your attention to this matter. If you have any questions, please let me know.

Sincerely,

Lawrence B. Somers

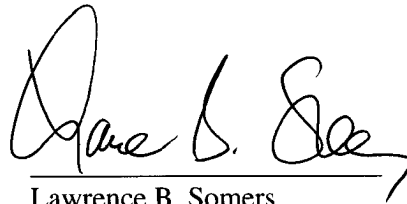
cc: Antoinette R. Wike

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC's Notification of Intent to File Application for Certificate of Public Convenience and Necessity for Western Carolinas Modernization Project, in Docket No. E-2, Sub 1089, has been served by electronic mail, hand delivery or by depositing a copy in the United States mail, postage prepaid to the following parties:

Antoinette R. Wike
Public Staff
North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, NC 27699-4300
Antoinette.wike@psncuc.nc.gov

This the 16th day of December, 2015.



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