



North Carolina Department of Health and Human Services
Division of Health Service Regulation

Pat McCrory
Governor

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Division Director

October 7, 2013

Catharine W. Cummer, Regulatory Counsel, Strategic Planning
Duke University Health System
3100 Tower Blvd, Suite 1300
Durham NC 27707

Exempt from Review

Facility: Duke University Health System
Project Description: Develop a high availability enterprise data center in a facility located on
Northeast Creek Parkway in Durham
County: Durham
FID #: 923142

Dear Ms. Cummer:

In response to your correspondence of September 23, 2013, the above referenced proposal is exempt from certificate of need review in accordance with N.C.G.S 131E-184(a)(3). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

It should be noted that this determination is binding only for the facts represented by you. Consequently, if changes are made in the project or in the facts provided in your correspondence referenced above, a new determination as to whether a certificate of need is required would need to be made by the Certificate of Need Section. Changes in a project include, but are not limited to: (1) increases in the capital cost; (2) acquisition of medical equipment not included in the original cost estimate; (3) modifications in the design of the project; (4) change in location; and (5) any increase in the number of square feet to be constructed.

If you have any questions concerning this matter, please feel free to contact this office.

Sincerely,

Michael J. McKillip
Project Analyst

Craig R. Smith, Chief
Certificate of Need Section



Certificate of Need Section

www.ncdhhs.gov

Telephone: 919-855-3873 • Fax: 919-733-8139

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Mailing Address: 2704 Mail Service Center • Raleigh, NC 27699-2704

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Evans, Stephanie

✓ BPAS

From: Mckillip, Mike
Sent: Monday, September 23, 2013 11:40 AM
To: Evans, Stephanie
Subject: FW: DUHS IT project -- Exemption notice

Hi Stephanie,

Another Duke request for exemptions received via e-mail. Thanks.

Mike

Michael McKillip
N.C. Department of Health and Human Services
Project Analyst, CON Section - Division of Health Service Regulation
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From: Catharine Cummer [<mailto:catharine.cummer@duke.edu>]
Sent: Monday, September 23, 2013 11:30 AM
To: Mckillip, Mike
Subject: DUHS IT project -- Exemption notice

Mike,

I am writing to provide the CON Section with notice of a Duke University Health System project to develop a second high availability Enterprise Data Center at a capital cost greater than \$2 million. At present, DUHS and DU host the majority of the Information Technology (IT) infrastructure on the main campus. This poses a risk to all IT resource availability, if a natural or man-made disaster occurred on campus. Development of a dual center off-campus minimizes this risk.

To develop the new center, DUHS will enter into a lease with Sentinel Data Centers for a 6,500 square foot (expandable to 10,000 square foot) turnkey facility, as part of a 600,000 square foot site, located on Northeast Creek Parkway in Durham, recently purchased by Sentinel.

This plan includes the purchase and installation of core network components (core switches, firewalls, load balancers, edge switches), selection and implementation of redundant connectivity, design and installation of the fiber plant, and installation of the overhead power distribution. In an effort to control the costs and meet the capacity demand forecast, the usable racks and network components will be purchased and installed based on demand starting with an initial purchase of 60 racks.

It is our understanding that this project is exempt from certificate of need review as necessary for the acquisition and installation of data processing equipment. We would appreciate your confirmation of this understanding. Please let me know if you have any questions about this project. Thank you very much.

Yours,
Catharine

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