



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Service Regulation

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director

August 22, 2018

Catharine W. Cummer
3100 Tower Blvd. Suite 1300
Durham, NC 27707

Exempt from Review

Record #: 2682
Facility Name: Duke University Hospital
FID #: 943138
Business Name: Duke University Health System, Inc.
Business #: 640
Project Description: Replace electrical substation
County: Durham

Dear Ms. Cummer:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of August 15, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §13 1E-184(4). Therefore, you may proceed to offer, develop or establish the above referenced project without a certificate of need.

However, you need to contact the Agency's Construction and Acute and Home Care Licensure and Certification Sections to determine if they have any requirements for development of the proposed project.

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 Agency. 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,

Bernetta Thorne-Williams
Project Analyst

Martha J. Frisone
Chief, Healthcare Planning and
Certificate of Need Section

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Amy Craddock, Assistant Chief, Healthcare Planning, DHSR

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH SERVICE REGULATION

HEALTHCARE PLANNING AND CERTIFICATE OF NEED SECTION

LOCATION: 809 Ruggles Drive, Edgerton Building, Raleigh, NC 27603
MAILING ADDRESS: 2704 Mail Service Center, Raleigh, NC 27699-2704
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3873

 **Duke University Health System**

Catharine W. Cummer
Regulatory Counsel, Strategic Planning

August 15, 2018

Via Electronic Mail

Martha Frisone
Chief, Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Electrical substation replacement at Duke University Hospital

Dear Ms. Frisone:

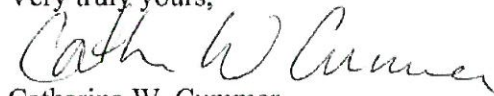
On behalf of the Duke University Health System, I am writing to notify you of a project to be undertaken by Duke University Hospital in Durham ("DUH") and to request the Section's written confirmation that this project is exempt from certificate of need review.

DUH is planning to spend more than two million dollars to replace an electrical substation that feeds the entire Children's Health Center, which is part of the hospital's main campus. The project includes the construction of a new electrical room with panels to feed the CHC and replacement of the main switchgear between the two transformers in the substation. The substation is 18 years old and is obsolete with parts no longer being manufactured.

It is our understanding that this project is exempt from certificate of need review pursuant to Section 131E-184(4), as it is needed "[t]o provide parking, heating or cooling systems, elevators, or other basic plant or mechanical improvements, unless these activities are integral portions of a project that involves the construction of a new health service facility or portion therefor and that is subject to certificate of need review." This project is not integral to any other construction project that would otherwise require a CON.

We would appreciate your review of this notice and confirmation of our understanding. Please let me know if you have any questions or if we can provide you any further information.

Very truly yours,


Catharine W. Cummer