

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

Pat McCrory Governor Richard O. Brajer Secretary DHHS

Drexdal Pratt Division Director

November 19, 2015

Elizabeth Kirkman CHS Management Company Suite 200 2709 Water Ridge Parkway Charlotte, NC 28217

Exempt from Review

Record #:

1788

Facility Name:

Carolinas Medical Center

FID #:

943070

Business Name:

Charlotte-Mecklenburg Hospital Authority

Business #:

462

Project Description:

Upgrade existing electrical system

County:

Mecklenburg

Dear Ms. Kirkman:

The Healthcare Planning and Certificate of Need Section, Division of Health Service Regulation (Agency), determined that based on your letter of November 2, 2015, the above referenced proposal is exempt from certificate of need review in accordance with G.S 131E-184(a)(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.



Healthcare Planning and Certificate of Need Section

Ms. Elizabeth Kirkman November 19, 2015 Page 2

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

Sincerely,

Gloria C. Hale Project Analyst Martha J. Frisone, Assistant Chief

Certificate of Need

cc:

Construction Section, DHSR

Acute and Home Care Licensure and Certification Section, DHSR

Kelli Fisk, Program Assistant, Healthcare Planning



November 2, 2015

Ms. Martha Frisone,
Assistant Chief, Certificate of Need
Division of Health Service Regulation
North Carolina Department of Health & Human Services
809 Ruggles Drive
Raleigh, North Carolina 27603

RE: Exemption Request for The Charlotte-Mecklenburg Hospital Authority d/b/a Carolinas Medical Center ("CMC") to upgrade its existing electrical system

Dear Ms. Frisone:

This letter serves as notification of CMC's intent to purchase additional generators and distribution gear in order to meet increased energy capacity demands. Pursuant to N.C.G.S. 131 E-184 (a)(4), this project is exempt from certificate of need review. Over the past several years technological advances have led to the densification of the internal grid within CMC. While the shell of the energy plant was expanded a few years ago with space to accommodate future growth, additional generators were not purchased at that time. In order to meet the increased emergency capacity demands, additional units will be purchased and installed. Once capacity to generate more power for the emergency power grid is obtained, distribution will need to be added in order to transmit the newly generated capacity throughout the building. This transmission includes new distribution gear.

The projected capital cost is approximately \$12,000,000.

Based upon the project as described above and pursuant to N.C.G.S. 131E-184(a)(4), this letter serves as notification of our intent to proceed with this project. We would appreciate your written concurrence that this project is exempt from certificate of need review.



If you have any questions or require further information regarding this project, please contact me at 704-446-8475.

Sincerely,

Elizabeth V. Kirkman Assistant Vice President,

CHS Management Company

cc: W. Spencer Lilly, President, Carolinas Medical Center

Lyabeth V. Kulcaran