



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
MARK PAYNE • Director, Division of Health Service Regulation

September 5, 2018

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

Exempt from Review

Record #: 2692
Facility Name: Duke Regional Hospital
FID #: 923142
Business Name: Duke University Health System, Inc.
Business #: 640
Project Description: Replace boiler and renovate central energy plant
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 31, 2018, the above referenced proposal is exempt from certificate of need review in accordance with N.C. Gen. Stat. §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.

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

Sincerely,

[Handwritten signature of Bernetta Thorne-Williams]

Bernetta Thorne-Williams
Project Analyst

[Handwritten signature of Martha J. Frisone]

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

cc: Construction Section, DHSR
Acute and Home Care Licensure and Certification Section, DHSR
Melinda Boyette, Administrative Assistant, 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: 2701 Mail Service Center, Raleigh, NC 27699-2701
www.ncdhhs.gov/dhsr/ • TEL: 919-855-3750 • FAX: 919-733-2757



Duke University Health System

Catharine W. Cummer
Regulatory Counsel, Strategic Planning



August 31, 2018

Via Electronic Mail

Ms. Martha Frisone
Ms. Bernetta Thorne-Williams
Healthcare Planning and Certificate of Need Section
Division of Health Service Regulation
2704 Mail Service Center
Raleigh, NC 27699-2704

Re: Boiler replacement and central energy plant renovation at Duke Regional Hospital

Dear Ms. Frisone and Ms. Thorne-Williams:

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

Duke Regional Hospital proposed to spend more than \$2 million to replace the boilers and rightsize the hospital's central energy plant (CEP) which was originally designed in 1974. The boilers provide the steam used in humidification, sterilization, and heating, ventilation, and air conditioning applications throughout the facility. Currently there are four 600 horsepower (HP) fire tube boilers, two installed in 1974 and two installed in 1984. These boilers were provided by two different manufacturers that are no longer in business. These four boilers will be replaced with five 300 HP Miura water tube boilers. This project will also redesign and rightsize the CEP to allow for greater flexibility to meet current and future facility needs of the hospital.

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.

Ms. Martha Frisone
Ms. Bernetta Thorne-Williams
August 31, 2018

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,

A handwritten signature in cursive script that reads "Cath W Cummer". The signature is written in black ink and is positioned above the printed name.

Catharine W. Cummer

Effective January 01, 2018, this license is issued to
Duke University Health System, Inc.

to operate a hospital known as
Duke Regional Hospital
located in Durham, North Carolina, Durham County.

This license is issued subject to the statutes of the
State of North Carolina, is not transferable and shall remain
in effect until amended by the issuing agency.

Facility ID: 923142
License Number: H0233

Bed Capacity: 369
General Acute 316, Rehabilitation 30, Psych 23,

Dedicated Inpatient Surgical Operating Rooms: 2
Dedicated Ambulatory Surgical Operating Rooms: 0
Shared Surgical Operating Rooms: 13
Dedicated Endoscopy Rooms: 4