

# Background and Project Update on the Transource Power Line Project

**INFORMATIONAL MEETING HOSTED BY THE SOUTH MOUNTAIN PARTNERSHIP**  
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**OCA**  
Office of Consumer Advocate

# The PA Office of Consumer Advocate (OCA)

- Created by the PA General Assembly in 1976 (71 P.S. § 309-1, et seq.)
- Independent State Agency administratively within the PA Office of Attorney General
- Represent the interests of utility ratepayers in matters before the Public Utility Commission, similar federal agencies, and state and federal courts

# Structure of the OCA

- The OCA is headed by Acting Consumer Advocate Tanya McCloskey
- Staff includes: Assistant Consumer Advocates, Support and Administrative Staff, a Consumer Liaison, Consumer Service Representatives, a Regulatory Analyst and many outside expert witnesses with varied expertise who work under contract

# The Role of the OCA in Transmission Line Cases

- The OCA represents the interests of consumers (*i.e.* those bearing the cost of the transmission line).
- The OCA focuses on the public need for the transmission line and whether the project is the least costly project that meets all regulatory and statutory requirements.
- The OCA will also evaluate and consider, among other things, technical issues raised in the Company's proposal and compliance with the applicable statutory and regulatory standards.

# High Voltage Power Line Project Planning

# PJM

- PJM is a Regional Transmission Organization that coordinates the movement of wholesale electricity in all or parts of 13 states, including PA, and the District of Columbia and operates the wholesale electricity market in this region.
- PJM is responsible for ensuring the safety, reliability, and security of the bulk electric system.

# PJM

- PJM conducts the Regional Transmission Expansion Planning Process (RTEP) on an on-going basis to identify reliability needs for the bulk power system and areas of transmission system constraint that are increasing wholesale market prices.
- The RTEP process results in projects that are submitted to the PJM Board of Directors for approval to be included in the Regional Transmission Expansion Plan.
- There are several categories of projects with the primary ones being baseline projects, network projects, supplemental projects and merchant transmission project requests.

# PJM

- RTEP Baseline Projects: transmission enhancements identified as part of reliability criteria tests, operational performance issues and market efficiency studies that identify the need for upgrades driven by thermal, voltage, short circuit, stability, and light load issues.
- After identifying the need for an upgrade, PJM opens a “proposal window” in accordance with requirements of the Federal Energy Regulatory Commission (FERC Order 1000).
- The competitive “proposal window process” seeks solutions to the identified problem from PJM entities interested in constructing the facilities necessary to resolve the identified problem.

# PJM

- For market efficiency projects, the project must be able to resolve the identified problem and meet a benefit/cost test.
- To meet the benefit/cost test, the project must have a ratio of no less than 1.25:1 over a 15 year period.
- PJM may also make a risk evaluation that includes the potential for cost escalation, schedule impacts and development risks associated with siting and permitting.

# Transource Power Line Project

# Transource Project

- PJM identified congestion constraints across the Pennsylvania and Maryland border. Congestion was limiting the flow of electricity on the bulk power system and increasing prices in the constrained regions, primarily in Maryland, northern Virginia and part of western Pennsylvania.
- PJM sought project proposals to alleviate the congestion, receiving 41 different proposals.
- After narrowing down the projects and completing its cost/benefit evaluation, PJM selected the project proposed by Transource Pennsylvania, LLC.

# Transource Project

- Transource, as the designated entity, must secure the appropriate approvals to implement its proposed Project from the Public Utility Commissions in each state that the project will physically cross.
- In this instance, Transource will need the approval of the Pennsylvania Public Utility Commission and the Maryland Public Service Commission.

# Pennsylvania Transmission Line Siting Process

# Application Process

- Prior to constructing any transmission line(s) in Pennsylvania, Transource must get approval from the Pennsylvania Public Utility Commission by filing a Siting Application with the Commission.
- In its Siting Application, Transource must provide, among other things, a general description of the proposed route, the public need for the project, safety considerations, available alternative routes, environmental impacts and the estimated cost of construction.
- 52 Pennsylvania Code (Pa. Code) §57.72 provides a description of the form and content of the application.

# Application Process

- Transource is also required to file any Application(s) for Eminent Domain necessary to construct its proposed transmission line at the same time it files its Siting Application. These proceedings will likely be consolidated into one proceeding at the PUC.
- The Siting Application must be served on all of those owning property within the proposed right of way, the governing body for planning in each township, borough or city where the line is to be located, and on several state agencies.
- The Commission typically takes one year to review and issue an Order on the proposed Siting Application.

# Application Process

- Once the Siting Application is filed, any interested persons can file a response to the Application. Responses can include:
  - Protest – a formal pleading that states your objections and concerns. A Protest must be filed, usually within 60 days and will make you a party to the proceeding.
  - Petition to Intervene – A request to become a party to the case by showing a direct interest in the case. 52 Pa. Code §§ 5.71-5.76.
  - Objection Letter or Comments – A written statement of your concerns without becoming a party to the case.

# Application Process

- Protests, Petitions to Intervene, Objection Letters and Comments should include the name of the case and the docket number, and be mailed to the Public Utility Commission at the following address:

Rosemary Chiavetta  
Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

# Application Process

- Individuals who file a Protest or a Petition to Intervene will become a party to the proceeding. Individuals who become parties to the proceeding can determine how active they want to be in the litigation process.
- If you do not wish to file any of these documents, an opportunity for public input at a public input hearing will also be provided during the course of the proceeding.

# Proceedings Before the Commission

- The Commission must consider the burden on the property vs. the public benefit. 52 Pa. Code § 57.76. In order to approve the Siting Application, the Commission must find:
  - That there is a need for it;
  - That it will not create an unreasonable risk of danger to the health and safety of the public;
  - That it is in compliance with applicable statutes and regulations providing for the protection of the natural resources of this Commonwealth, and
  - That it will have minimum adverse environmental impact, considering the electric power needs of the public, the state of available technology and the available alternatives.

# Proceedings Before the Commission

- The case will be assigned to an Administrative Law Judge (ALJ)
- The ALJ will initially hold a prehearing conference to organize the conduct of the proceeding and establish a procedural schedule so as to complete the case for Commission review.

# Proceedings Before the Commission

- Discovery Phase:
  - Parties to the proceeding will have the opportunity to submit discovery questions to the Company and its expert witnesses, possibly engage in informal discovery and site visits.
- Evidentiary Phase:
  - Expert witnesses provide pre-filed, written testimony. An opportunity is presented for direct testimony and several rounds of responsive testimony. The ALJ will hold hearings for parties to cross-examine the pre-filed written testimony.
  - The ALJ will also conduct Public Input hearings so members of the public can provide their views and evidence on the siting Application.

# Proceedings Before The Commission

- Evidence accepted can include information on the need for the line, the safety of the line, alternative routes, and the impact on land use, soil and sedimentation, plant and wildlife habitats, terrain, hydrology landscape, archaeologic areas, geologic areas, historic areas, scenic areas, wilderness areas. 52 Pa. Code §§57.75

# Proceedings Before the Commission

- Briefing and Decision Phase
  - At the conclusion of the evidentiary phase, the parties will have an opportunity to file Briefs setting forth their respective positions.
  - The presiding ALJ issues a Recommended Decision and the parties can file Exceptions to that Decision.
  - The Commission then issues an Order on the proceeding.

# Public Input Hearings

- Regardless of your involvement in the proceeding, members of the public will have the opportunity to testify at a Public Input Hearing regarding Transource's Siting Application.
- Details of the location, date, and time of the Public Input Hearing(s) will be determined by the Commission at a later date and made available to the public.

# Questions?

## Contact Information

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